

25 July 2022

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FOR IMMEDIATE RELEASE

RECOMMENDED OFFER

for

CARETECH HOLDINGS PLC ("CARETECH")

by

AMALFI BIDCO LIMITED ("BIDCO")

(a newly formed company indirectly owned by joint offerors Sheikh Holdings Group (Investments) Limited, Belgravia Investments Limited and Kensington Capital Limited, and funds managed by THCS IV GP S.à r.l. and TH Management IV S.à r.l. and advised by THCP Advisory Limited)

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

Publication and Posting of Scheme Document

On 27 June 2022, the CareTech Independent Board and the board of Bidco announced that they had reached agreement on the terms of a recommended offer by Bidco for the entire issued and to be issued ordinary share capital of CareTech (the "**Offer**"). Under the terms of the Offer, Scheme Shareholders will receive 750 pence in cash for each Scheme Share. Scheme Shareholders will also be able to elect under the Partial Alternative Offer, in respect of all or part of their Scheme Shares, to receive Rollover Securities in lieu of all or part of the Cash Consideration to which they are otherwise entitled. The Offer is being implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme**").

The CareTech Independent Board and the Bidco Board are pleased to announce that the circular in relation to the Offer (the "**Scheme Document**") setting out, amongst other things, a letter from the Independent Chairman of the CareTech Independent Board, the full terms and conditions of the Scheme, an explanatory statement pursuant to section 897 of the Companies Act 2006, an expected timetable of principal events, notices convening the Court Meeting and the General Meeting and details of the actions to be taken by CareTech Shareholders, has been published today on CareTech's website (subject to certain restrictions relating to persons in Restricted Jurisdictions) at <https://www.caretech-uk.com/offer-sheikh-holdings-group-investments-limited>.

CareTech Shareholders will receive the Scheme Document in accordance with the notice provisions in the articles of association of the Company and the Scheme Document will also be made available, for information only, to holders of awards and options under the CareTech Share Plans and, persons with information rights.

Hard copies of the Forms of Proxy for the Court Meeting and the General Meeting are also being posted today to CareTech Shareholders, along with a Form of Election in relation to the Partial Alternative Offer. The Scheme Document contains details of the proposals being made to holders of awards and options under the CareTech Share Plans in connection with the Offer and CareTech is also sending participants separate letters detailing such proposals.

Capitalised terms used in this announcement the ("**Announcement**") shall, unless otherwise defined, have the same meanings as set out in the Scheme Document.

The contents of CareTech's website are not incorporated into, and do not form part of, this Announcement.

Defined terms used but not defined in this Announcement have the meaning given to them in the Scheme Document.

Action required and notices of the Court Meeting and General Meeting

As described in the Scheme Document, the implementation of the Scheme is subject to the Conditions and further terms that are set out in the Scheme Document. In order to become Effective, the Scheme requires, amongst other things, (i) approval by a majority in number of the Scheme Shareholders present and voting at the Court Meeting, either in person or by proxy, representing at least 75 per cent. in value of the Scheme Shares voted and (ii) the passing of the Special Resolution at the General Meeting which requires the approval by the CareTech Shareholders present and voting representing at least 75 per cent. of the votes cast at the General Meeting (either in person or by proxy).

Notices convening the Court Meeting and General Meeting to be held at CareTech's registered office located at 5th Floor Metropolitan House, 3 Darkes Lane, Potters Bar, Hertfordshire, EN6 1AG on 8 September 2022 at 10.00 a.m. and 10.15 a.m. (or, if later, as soon as the Court Meeting has been concluded or adjourned) respectively, are set out in the Scheme Document. Forms of Proxy for use at the Court Meeting and the General Meeting are enclosed with the Scheme Document.

Any changes to the arrangements for the Court Meeting and the General Meeting will be communicated to Scheme Shareholders and CareTech Shareholders before the relevant Meeting, through CareTech's website at <https://www.CareTech-uk.com/offer-sheikh-holdings-group-investments-limited> and through a Regulatory Information Service.

Scheme Shareholders and CareTech Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting and the General Meeting (by post, online or electronically through CREST (as set out in the Scheme Document)) as soon as possible and, in any event, so that the proxy appointment and instructions are received no later than 10.00 a.m. and 10.15 a.m. respectively, on 6 September 2022 or, in the case of any adjournment, not later than 48 hours before the time set for the adjourned Meeting(s) (excluding any non-working days).

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the opinion of Scheme Shareholders.

Timetable

The Scheme Document contains an expected timetable of principal events in relation to the Scheme, which is also set out in the Appendix to this Announcement. As set out above, the Scheme remains conditional on the approval of the requisite majority of eligible Scheme Shareholders at the Court

Meeting and the requisite majority of eligible CareTech Shareholders at the General Meeting. The Scheme is also subject to the satisfaction (or, where applicable, waiver) of the other Conditions (including the sanction by the Court) and further terms, as described more fully in the Scheme Document.

The Scheme is expected to become Effective on 27 September 2022. CareTech will make further announcements through a Regulatory Information Service, with such announcements also being made available on CareTech's website at <https://www.CareTech-uk.com/offer-sheikh-holdings-groupinvestments-limited>.

Subject to the Scheme becoming Effective, it is intended that an application will be made to the London Stock Exchange for the cancellation of admission to trading of the CareTech Shares on AIM, with effect shortly following the Effective Date. Share certificates in respect of the CareTech Shares will cease to be valid from the Effective Date. CareTech Shareholders are free to retain them for their records or, alternatively, can destroy them following the Effective Date. The last day of dealings in, and registration of transfers of, CareTech Shares on AIM is expected to be the Business Day immediately prior to the Effective Date.

Recommendation

The CareTech Independent Board, which has been so advised by Panmure Gordon and Numis as to the financial terms of the Cash Offer, considers the Cash Offer to be fair and reasonable. In providing advice to the CareTech Independent Board, Panmure Gordon and Numis have taken into account the commercial assessments of the CareTech Independent Board. Panmure Gordon is providing independent financial advice to the CareTech Independent Board for the purposes of Rule 3 of the Takeover Code.

Accordingly, the CareTech Independent Board unanimously recommends that Scheme Shareholders vote in favour of the resolutions relating to the Scheme at the Meetings (or if the Offer is implemented by a Takeover Offer, to accept or procure acceptance of such Takeover Offer). Jamie Cumming (being the only member of the CareTech Independent Board who holds CareTech Shares) has irrevocably undertaken to do so in respect of his own beneficial holdings of 2,500 CareTech Shares in aggregate, representing approximately 0.002 per cent. of CareTech's issued ordinary share capital on the Latest Practicable Date.

In considering the terms of the Partial Alternative Offer, the CareTech Independent Directors, Panmure Gordon and Numis have considered the details of the Partial Alternative Offer and the Rollover Securities set out in paragraphs 9 to 11 of Part II (*Explanatory Statement*) and in Part VIII (*Summary of the Partial Alternative Offer, the Rollover Securities and the Topco Group*) and Part IX (*How to make an election for the Partial Alternative Offer*) of the Scheme Document.

Panmure Gordon and Numis are unable to advise the CareTech Independent Directors as to whether or not the terms of the Partial Alternative Offer are fair and reasonable. This is because of the significant and variable impact of the disadvantages and advantages of the Partial Alternative Offer for individual CareTech Shareholders as set out in paragraphs 9 to 11 of Part II (*Explanatory Statement*) and in Part VIII (*Summary of the Partial Alternative Offer, the Rollover Securities and the Topco Group*) and Part IX (*How to make an election for the Partial Alternative Offer*) of the Scheme Document.

Accordingly, the CareTech Independent Directors cannot form an opinion as to whether or not the terms of the Partial Alternative Offer are fair and reasonable and are not making any recommendation to Scheme Shareholders as to whether or not they should elect for the Partial Alternative Offer.

Scheme Shareholders should also ascertain whether acquiring or holding Rollover Securities is affected by the laws of the relevant jurisdiction in which they are resident and consider whether Rollover Securities are a suitable investment in light of their own personal circumstances and are, therefore, strongly recommended to seek their own independent financial, tax and legal advice in light of their own particular circumstances and investment objectives before deciding whether to elect for the Partial Alternative Offer. Any decision to elect for the Partial Alternative Offer should be based on independent financial, tax and legal advice and full consideration of this document, in particular Part VIII (*Summary of the Partial Alternative Offer, the Rollover Securities and the Topco Group*) of the Scheme Document.

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

Additional Information for CareTech Shareholders and helpline

If you have any questions relating to this Announcement, the Scheme Document or the completion and return of your Forms of Proxy or Form of Election, please contact the Shareholder Helpline of Link Group, CareTech's Registrar, on 0371 664 0321 (or +44 (0) 371 664 0321 if calling from outside the UK). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Shareholder Helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note the Shareholder Helpline cannot provide advice on the merits of the Scheme nor give any financial, investment, legal or tax advice.

Enquiries:

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Ashurst LLP is acting as legal adviser to Sheikh Holdings and Bidco.

Charles Russell Speechlys LLP is acting as legal adviser to CareTech.

Proskauer Rose (UK) LLP is acting as legal adviser to THCP.

GSC Solicitors LLP is acting as legal adviser to Kensington and Belgravia.

Deutsche Bank AG, London Branch is acting as financial adviser to Sheikh Holdings.

Appendix

Expected Timetable of Principal Events

All times shown are London time unless otherwise stated. All dates and times are based on CareTech's and Bidco's current expectations and are subject to change. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to CareTech Shareholders by announcement through a Regulatory Information Service, with such announcement being made available on CareTech's website at <https://www.CareTech-uk.com/offer-sheikh-holdings-group-investments-limited>

Event	Time and/or date 2022⁽¹⁾
Publication of the Scheme Document	25 July
Latest time for lodging Forms of Proxy for the:	
Court Meeting (BLUE form)	10.00 a.m. on 6 September ⁽²⁾
General Meeting (WHITE form)	10.15 a.m. on 6 September ⁽³⁾
Voting Record Time	6.30 p.m. on 6 September ⁽⁴⁾
Court Meeting	10.00 a.m. on 8 September
General Meeting	10.15 a.m. on 8 September⁽⁵⁾

The following dates are indicative only and are subject to change⁽⁵⁾

Scheme Court Hearing	23 September
Election Return Time for the Green Form of Election	1.00 p.m. on 23 September
Last day of dealings in, and for the registration of transfers of, and disablement of CareTech Shares in CREST	26 September ⁽⁶⁾
Scheme Record Time	6.00 p.m. on 26 September
Suspension of dealings in CareTech Shares	7.30 a.m. on 27 September
Effective Date of the Scheme	27 September ⁽⁷⁾
Cancellation of admission to trading of CareTech Shares on AIM	7.00 a.m. on 28 September
Issue of Rollover Securities to Scheme Shareholders who have elected for the Partial Alternative Offer	Within 14 days of the Effective Date
Despatch of cheques and crediting of CREST accounts for Cash Consideration due under the Scheme	Within 14 days of the Effective Date
The date by which the Scheme must become unconditional and effective, failing which it will lapse	31 December 2022 ⁽⁷⁾

(1) These times and dates are indicative only and will depend, among other things, on the dates upon which (i) the Conditions are satisfied or (where permitted) waived, (ii) the Court sanctions the Scheme and (iii) the Court Order is delivered to the Registrar of Companies. CareTech will announce any changes to these dates through a Regulatory Information Service. Participants in the CareTech Share Plans will be contacted separately to inform them of the effect of the Scheme on their rights under the CareTech Share Plans, including details of any appropriate proposals being made and dates and times relevant to them.

(2) It is requested that Blue Forms of Proxy for the Court Meeting be lodged not later than 48 hours prior to the time appointed for the Court Meeting (noting that, in taking account of this

48 hour period, no account shall be taken of any part of a day that is not a working day). Blue Forms of Proxy not so lodged may be handed to the CareTech Registrar or the Chairman of the Court Meeting before the start of the Court Meeting.

- (3) White Forms of Proxy for the General Meeting must be lodged not later than 48 hours prior to the time appointed for the General Meeting (noting that, in taking account of this 48 hour period, no account shall be taken of any part of a day that is not a working day). White Forms of Proxy not returned so as to be received by the time mentioned above and in accordance with the instructions on the White Form of Proxy will be invalid unless the CareTech Independent Directors direct otherwise.
- (4) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned meeting will be 6.30 p.m. on the day which is two Business Days prior to the time of the adjourned Meeting.
- (5) To commence on 8 September 2022 at 10.15 a.m. or as soon thereafter as the Court Meeting shall have concluded or adjourned.
- (6) CareTech Shares will be disabled in CREST from 6.00 p.m. on 26 September 2022.
- (7) The Scheme will become Effective pursuant to its terms upon the Court Order being delivered to the Registrar of Companies.
- (8) This is the latest date by which the Scheme may become effective unless CareTech and Bidco agree (and, if required, the Panel and the Court permit) a later date.

Important Notices

This Announcement is for information purposes only and is not intended to and does not constitute, or form part of an 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 Offer or otherwise, nor shall there be any sale, issuance or transfer of securities of CareTech in any jurisdiction in contravention of applicable law. The Offer will be implemented solely pursuant to the terms of the Scheme Document (or, if the Offer is implemented by way of a Takeover Offer, the Offer Document), which contains the full terms and conditions of the Offer, including details of how to vote in respect of the Offer. Any vote in respect of, or other response to, the Offer should be made only on the basis of the information contained in the Scheme Document (or, if the Offer is implemented by way of a Takeover Offer, the Offer Document).

CareTech and Bidco urge CareTech Shareholders to read the Scheme Document (or, if the Offer is implemented by way of a Takeover Offer, the Offer Document) because it contains important information relating to the Offer.

This Announcement does not constitute a prospectus, prospectus equivalent document or an exempted document.

Disclaimers

*Panmure Gordon (UK) Limited ("**Panmure Gordon**")*, which is authorised and regulated in the United Kingdom by the FCA and is acting as joint financial adviser and Rule 3 adviser to the CareTech Independent Board, and nominated adviser and joint broker to CareTech and for no one else in connection with the Offer and other matters referred to in this Announcement and will not be responsible to anyone other than the CareTech Independent Board for providing the protections afforded to its clients or for providing advice in relation to the Offer, the contents of this Announcement or any other matters referred to in this Announcement. Neither Panmure Gordon nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Panmure Gordon in connection with this Announcement, any statement contained herein, the Offer or otherwise.

*Numis Securities Limited ("**Numis**")*, which is authorised and regulated in the United Kingdom by the FCA and is acting as joint financial adviser to the CareTech Independent Board, and joint broker to CareTech and for no one else in connection with the Offer and other matters referred to in this Announcement and will not be responsible to anyone other than the CareTech Independent Board for providing the protections afforded to its clients or for providing advice in relation to the Offer, the contents of this Announcement or any other matters referred to in this Announcement. Neither Numis nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Numis in connection with this Announcement, any statement contained herein, the Offer or otherwise.

*Dean Street Advisers Limited ("**Dean Street**")* is authorised and regulated by the Financial Conduct Authority ("**FCA**") in the United Kingdom and is acting as joint financial adviser to Bidco and for no one else in connection with the Offer and other matters referred to in this Announcement and will not be responsible to anyone other than Bidco for providing the protections afforded to its clients or for providing advice in relation to the Offer, the contents of this Announcement or any other matters referred to in this Announcement. Neither Dean Street nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Dean Street in connection with this Announcement, any statement contained herein, the Offer or otherwise.

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

Deutsche Bank AG is a joint stock corporation incorporated with limited liability in the Federal Republic of Germany, with its head office in Frankfurt am Main where it is registered in the Commercial Register of the District Court under number HRB 30 000. Deutsche Bank AG is authorised under German banking law. The London branch of Deutsche Bank AG is registered in the register of companies for England and Wales (registration number BR000005) with its registered address and principal place of business at Winchester House, 1 Great Winchester Street, London EC2N 2DB. Deutsche Bank AG is authorised

and regulated by the European Central Bank and the German Federal Financial Supervisory Authority (BaFin). With respect to activities undertaken in the UK, Deutsche Bank AG is authorised by the PRA with deemed variation of permission. It is subject to regulation by the FCA and limited regulation by the PRA. Details about the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the FCA's website. Deutsche Bank AG, London Branch ("**Deutsche Bank**") is acting as financial adviser to Sheikh Holdings and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Sheikh Holdings for providing the protections afforded to clients of Deutsche Bank nor for providing advice in connection with the subject matter of this Announcement or any other matter referred to in this Announcement.

Overseas jurisdictions

This Announcement has been prepared in accordance with, and for the purpose of complying with, the laws of England and Wales and the Takeover Code, and information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside England.

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

The availability of the Offer to CareTech Shareholders who are not resident in and 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 the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their CareTech Shares with respect to the Scheme at the Court Meeting, or to execute and deliver Forms of Proxy appointing another 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 Offer disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document.

Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the Offer will not be made available, in whole or in part, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Offer by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving 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 Offer. If the Offer is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a

national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

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

Additional information for US investors

The Offer relates to shares of a company incorporated in England and Wales and is proposed to be effected by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or proxy solicitation rules under the US Exchange Act. Accordingly, the Offer is subject to the disclosure and procedural requirements applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of the US tender offer and proxy solicitation rules. If, in the future, Bidco exercises its right to implement the Offer by means of a Takeover Offer and determines to extend the Takeover Offer into the United States, such offer would be made in compliance with applicable US laws and regulations.

In accordance with normal United Kingdom practice, Bidco or its nominees or its brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of CareTech outside of the US, other than pursuant to the Offer, until the date of the Offer and/or Scheme becomes Effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made they would occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases or arrangements to purchases shall be disclosed as required in the UK, shall be reported to a Regulatory Information Service and shall be available on the London Stock Exchange website at www.londonstockexchange.com.

It may be difficult for US holders of CareTech Shares to enforce their rights and any claim arising out of the US federal laws, since CareTech, Bidco, Midco, Cleanco and Topco are located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of CareTech Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

The securities to be issued in connection with the Partial Alternative Offer pursuant to the Scheme have not been and will not be registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the US Securities Act and such other laws. It is expected that any such securities would be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. Such securities will also not be registered under any US state securities laws and may only be issued to persons resident in a state pursuant to an exemption from the registration requirements of the securities laws of such state.

The financial information included in this Announcement and the Scheme Document has been or will be prepared in accordance with IFRS and may not be comparable to the financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of consideration by a US holder for the transfer of CareTech Shares pursuant to the Scheme is expected to be a taxable transaction for US federal income tax purposes. Each CareTech Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Offer applicable to them, including under applicable US federal, state and local as well as non-US and other tax laws.

Forward-looking statements

This Announcement contains statements about the Wider CareTech Group, the Wider Bidco Group and the Combined Group's operations that may be or may be forward looking statements. All statements other than statements of historical facts included in this Announcement may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "should", "continue", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects", "ambition" or words or term of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the Wider CareTech Group, the Wider Bidco Group and the Combined Group's operations and potential synergies resulting from the Offer; and (iii) the effects of government regulation of the Wider CareTech Group, the Wider Bidco Group and the Combined Group's business.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on assumptions and assessments made by CareTech and/or Bidco in light of their experience and their perception of historical trends, current conditions, future developments or other factors they believe appropriate. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. Neither the Wider CareTech Group nor the Wider Bidco Group assume any obligation to update any forward looking or other statements contained herein, except as required by applicable law or regulation.

No profit forecasts, estimates or quantified benefits statements

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

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) applies must be made by no later than 3.30 pm (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (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), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (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.

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

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

Publication on website

In accordance with Rule 26.1 of the Takeover Code, a copy of this Announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on CareTech's website at <https://www.caretech-uk.com/possible-offer-sheikh-holdings-groupinvestments-limited> and the website used by Bidco at <http://www.sheikhholdings.co.uk/possibleoffer-caretech/> by no later than 12 noon (London time) on the first Business Day following the date of this Announcement. For the avoidance of doubt, neither the contents of these websites nor the contents of any websites accessible from any hyperlinks is incorporated into or forms part of this Announcement.

Requesting hard copy documents

CareTech Shareholders may request a hard copy of this Announcement by contacting Link Group on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 am-17:30 pm, Monday to Friday excluding public holidays in England and Wales or by submitting a request in writing to CareTech Registrars at Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. If you have received this Announcement in electronic form, copies of this Announcement and any document or information incorporated by reference into this Announcement will not be provided unless such a request is made.

Electronic communications

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

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

Rule 2.9 of the Takeover Code

For the purposes of Rule 2.9 of the Takeover Code, CareTech confirms that, as at the Latest Practicable Date, it had 113,336,434 ordinary shares of 0.5 pence each in issue and admitted to trading on AIM. CareTech does not hold any shares in treasury. The ISIN for the CareTech Shares is GB00BOKWHQ09.

General

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

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

If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriate authorised independent financial adviser.