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**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) No. 596/2014 AS IT FORMS PART OF THE UK LAW BY VIRTUE THE EUROPEAN UNION (WITHDRAWAL) ACT 2018.**

**FOR IMMEDIATE RELEASE**

22 July 2021

**CASH OFFER**

**by**

**ECOTRICITY GROUP LIMITED**

**for**

**GOOD ENERGY GROUP PLC**

**Summary**

- Ecotricity Group Limited ("**Ecotricity**") is pleased to announce the terms of its cash offer for the entire issued and to be issued ordinary share capital of Good Energy Group PLC ("**Good Energy**") not already owned by Ecotricity at a price of:

**340 pence in cash per Good Energy Share**

- Under the terms of the Offer, Good Energy Shareholders will be entitled to receive 340 pence in cash for each Good Energy Share they hold, valuing Good Energy's issued and to be issued ordinary share capital (excluding Ecotricity's shareholding in Good Energy) at approximately £45.3 million and the entire issued and to be issued ordinary share capital of Good Energy at approximately £59.5 million.
- The Offer of 340 pence for each Good Energy Share represents:
  - o a premium of approximately 10.6 per cent. over the Closing Price of 307.5 pence per Good Energy Share on 9 July 2021, being the last Business Day prior to the date of the Rule 2.4 Announcement;
  - o a premium of approximately 26.6 per cent. over the volume weighted average Closing Price ("**VWAP**") of 268.5 pence per Good Energy Share over the three-month period to 9 July 2021;
  - o a premium of approximately 59.4 per cent. over the VWAP of 213.3 pence per Good Energy Share for the 12-month period to 9 July 2021;
  - o a premium of approximately 10.0 per cent. over the highest historic Closing Price prior to the date of the Rule 2.4 Announcement of 309.0 pence per Good Energy Share on 8 July 2021; and
  - o a premium of approximately 4.9 per cent. over the Closing Price of 324.0 pence per Good Energy Share on 21 July 2021, being the last Business Day prior to the date of this Announcement.
- The Offer will be conditional upon, amongst other things, Ecotricity receiving valid acceptances in respect of and/or having otherwise acquired Good Energy Shares which constitute more than 50 per cent. of the voting rights relating to the Good Energy Shares (including those already owned by Ecotricity).
- Information on the terms and conditions to which the Offer will be subject is set out in Appendix 1 and will be set out in the Offer Document, which Ecotricity will despatch to Good Energy Shareholders in due course.
- Ecotricity currently holds 4,169,948 Good Energy Shares, representing approximately 25.1 per cent. of Good Energy's issued ordinary share capital.

- The consideration payable under the Offer will be funded out of Ecotricity's existing cash resources.
- It is intended that the Offer be effected by means of a takeover offer within the meaning of Part 28 of the 2006 Act.
- **This summary should be read in conjunction with, and is subject to, the full text of the following announcement including the Appendices.**

Appendix 2 of this announcement contains the sources and bases of certain information used in this summary and in the following announcement. Appendix 3 of this announcement contains definitions of certain terms used throughout this announcement.

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**IMPORTANT NOTICES**

*This announcement is for informational purposes only. It 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, pursuant to the Offer or otherwise. The Offer Document and Form of Acceptance will be made available to all Good Energy Shareholders (except for those in Restricted Jurisdictions) at no cost to them. Good Energy Shareholders are advised to read the Offer Document and the accompanying Form of Acceptance when they are sent to them because they will contain important information.*

*The availability of the Offer to persons who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Such persons should inform themselves about and observe any applicable requirements. Further details in relation to Overseas Shareholders will be contained in the Offer Document.*

*This announcement has been prepared for the purposes of complying with English law and the Takeover Code and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.*

*The Offer will be subject to the applicable rules and regulations of the London Stock Exchange and the Takeover Code.*

*Unless otherwise determined by Ecotricity or required by the Takeover Code, and permitted by applicable law and regulation, the Offer will not be made, directly or indirectly, in, into or from, and will not be capable of acceptance in or from the United States, Canada, Australia or Japan or any jurisdiction where to do so would constitute a breach of securities laws in that jurisdiction. Accordingly, copies of this announcement are not being, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from the United States, Canada, Australia or Japan or any jurisdiction where to do so would constitute a breach of securities laws in that jurisdiction. Persons receiving this announcement (including custodians, nominees and trustees) should observe these restrictions and should not send or distribute this announcement in, into or from any such jurisdictions.*

*Zeus Capital, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as financial adviser to Ecotricity and for no one else in connection with the Offer and will not be responsible to any person other than Ecotricity for providing the protections afforded to clients of Zeus Capital, nor for providing advice in relation to the Offer, the content of this announcement or any matter referred to in this announcement. Neither Zeus Capital 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 Zeus Capital in connection with this announcement, any statement contained herein or otherwise.*

**Forward-looking statements**

*This announcement includes certain "forward-looking statements". The forward-looking statements contained in this announcement may include statements about Ecotricity's plans, objectives and expected performance. Forward-looking statements include, without limitation, statements typically containing words such as "intends", "expects", "anticipates", "targets", "estimates" and words of similar*

import. These statements are based on certain assumptions, the current expectations of Ecotricity and are naturally subject to uncertainty and changes in circumstances. 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. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction of the conditions to the Offer, continued demand for Good Energy's products and services, competition in the markets in which Good Energy operates, changes in economic conditions, changes in the level of capital investment, success of business and operating initiatives and restructuring objectives, customers' strategies and stability, changes in the regulatory environment, fluctuations in interest and exchange rates, the outcome of litigation, government actions and natural phenomena such as floods, earthquakes and hurricanes. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Accordingly, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this announcement. Ecotricity expressly disclaims any obligation to update publicly or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

### **Dealing disclosure requirements**

Under Rule 8.3(a) of the Takeover 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 Takeover Code 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 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, save 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 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 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](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.

No profit forecasts or estimates

No statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per ordinary share for Ecotricity or Good Energy respectively for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per ordinary share for Ecotricity or Good Energy respectively.

### **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.

### **Publication on website and availability of hard copies**

Copies of this announcement and the display documents required to be published pursuant to Rule 26.1 of the Takeover Code will be made available, subject to certain restrictions relating to persons resident in the United States, Canada, Australia or Japan or any jurisdiction where to make the documents so available would constitute a breach of securities laws in that jurisdiction, on the Ecotricity Group's website at [www.ecotricity.co.uk](http://www.ecotricity.co.uk) by no later than 12 noon (London time) on the Business Day following the date of this announcement until the end of the Offer Period. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

In accordance with Rule 30.3 of the Code, any person entitled to receive a copy of documents, announcements and information relating to the Offer is entitled to receive such documents, free of charge, in hard copy form. Such person may request that all future documents, announcements and information in relation to the Offer are sent to them in hard copy form. A hard copy of such documents will not be sent to such persons unless requested by contacting Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom

will be charged at the applicable international rate. The helpline is open between 9.00 am - 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. If requested, copies will be provided within two Business Days of the request.

### **Information relating to Good Energy Shareholders**

Please be aware that addresses, electronic addresses and certain other information provided by Good Energy Shareholders, persons with information rights and other relevant persons for the receipt of communication from Good Energy may be provided to Ecotricity during the Offer Period as required under Section 4 of Appendix 4 of the Takeover Code.

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**FOR IMMEDIATE RELEASE**

22 July 2021

## **CASH OFFER**

by

**ECOTRICITY GROUP LIMITED**

for

**GOOD ENERGY GROUP PLC**

## **1 INTRODUCTION**

Following the announcement on 12 July 2021 by Ecotricity Group Limited ("**Ecotricity**") of a possible offer for Good Energy Group PLC ("**Good Energy**"), Ecotricity now announces a cash offer for the entire issued and to be issued ordinary share capital of Good Energy not already owned by Ecotricity at a price of:

### **340 pence in cash per Good Energy Share**

As at the date of this announcement, Ecotricity holds approximately 25.1 per cent. of Good Energy's issued ordinary share capital.

## **2 THE OFFER**

Under the terms of the Offer, Good Energy Shareholders will be entitled to receive 340 pence in cash for each Good Energy Share they hold, valuing Good Energy's issued and to be issued ordinary share capital (excluding Ecotricity's shareholding in Good Energy) at approximately £45.3 million and the entire issued and to be issued ordinary share capital of Good Energy at approximately £59.5 million.

The Offer of 340 pence for each Good Energy Share represents:

- o a premium of approximately 10.6 per cent. over the Closing Price of 307.5 pence per Good Energy Share on 9 July 2021, being the last Business Day prior to the date of the Rule 2.4 Announcement;
- o a premium of approximately 26.6 per cent. over the volume weighted average Closing Price ("**VWAP**") of 268.5 pence per Good Energy Share over the three-month period to 9 July 2021;
- o a premium of approximately 59.4 per cent. over the VWAP of 213.3 pence per Good Energy Share for the 12-month period to 9 July 2021;
- o a premium of approximately 10.0 per cent. over the highest historic Closing Price prior to the date of the Rule 2.4 Announcement of 309.0 pence per Good Energy Share on 8 July 2021; and
- o a premium of approximately 4.9 per cent. over the Closing Price of 324.0 pence per Good Energy Share on 21 July 2021, being the last Business Day prior to the date of this

## Announcement.

The Offer will be conditional upon, amongst other things, Ecotricity receiving valid acceptances in respect of and/or having otherwise acquired Good Energy Shares which constitute more than 50 per cent. of the voting rights relating to the Good Energy Shares (including those already owned by Ecotricity).

The Good Energy Shares shall be acquired under the Offer fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other rights and interests of any nature whatsoever and together with all rights now and hereafter attaching thereto, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of this announcement.

If any dividend or other distribution or return of value is proposed, declared, made, paid or becomes payable by Good Energy in respect of a Good Energy Share on or after the date of this announcement, Ecotricity will have the right to reduce the value of the consideration payable for each Good Energy Share by up to the amount per Good Energy Share of such dividend, distribution or return of value except where the Good Energy Share is or will be acquired pursuant to the Offer on a basis which entitles Ecotricity to receive the dividend, distribution or return of value and to retain it.

If any such dividend, distribution or return of value is paid or made after the date of this announcement and Ecotricity exercises its rights described above, any reference in this announcement to the consideration payable under the Offer shall be deemed to be a reference to the consideration as so reduced. Any exercise by Ecotricity of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Offer.

Further information on the terms and conditions to which the Offer will be subject are set out in Appendix 1 and will be set out in the Offer Document, which Ecotricity will dispatch to Good Energy Shareholders in due course.

### **3 BACKGROUND TO AND RATIONALE FOR THE OFFER**

The Good Energy Group was founded in May 2000 and completed an initial public offering in July 2012, pursuant to which its shares were admitted to trading on AIM.

Ecotricity has consistently held Good Energy Shares since March 2016 and currently holds approximately 25.1 per cent. of Good Energy.

Ecotricity believes there is strategic merit in combining its operations with those of Good Energy, not least from a geographical and capabilities perspective- both being complementary.

The two companies primarily operate as green energy suppliers and generators. The proposed combination would create a green energy supply entity of more significant scale with more rounded capabilities, better able to compete with the Big Six and the raft of newer entrants - many of whom make green energy and (environmental related) claims in their marketing.

It would be a consolidation of the two oldest green energy suppliers in Britain, enabling both companies to better compete in today's crowded and highly competitive market.

Ecotricity has a development function for new green energy generation, something that Good Energy lacks. Ecotricity also operates a 'bills into mills' concept which links a customer's energy bills to the building of new green energy sources. We believe that new build is the ultimate green outcome and this capability would be added to the Good Energy customer proposition. The addition of Good Energy customers to the 'bills to mills' concept will thus enable the building of further sources of green energy with their energy bills - and in combination, the two companies can enable more building than either can alone.

We believe that combining the two businesses will better enable us to ensure the future of genuinely green alternatives for the increasingly green-conscious energy-buying public. This is an objective that both companies strive to achieve separately at present.

The Chairman of Ecotricity has in recent weeks held exploratory discussions with the Chairman of Good Energy. These discussions were followed by a series of three written proposals to the board of Good Energy, all of which have been rejected.

The Board of Ecotricity believes that the Good Energy Shareholders should now have the opportunity to decide on the merits of its Offer.

We believe our Offer is a good opportunity for shareholders to exit at an historically high valuation of the company and we believe will enable the creation of a green energy company of scale which can compete in today's market.

#### **Good Energy's financial performance has deteriorated over the last three years following a change to the composition of the Good Energy board, as evidenced by the following:**

- Revenue has grown at a CAGR of only 5.7 per cent. If adjusted for inflation which averaged 2.5 per cent. over the three years, revenue growth is only 3.2 per cent.
- Gross margin has declined from 28.6 per cent. to 22.6 per cent.
- Gross profit has declined by a CAGR of minus 6.0 per cent.
- EBITDA has declined by a CAGR of minus 4.1 per cent.
- Profit before tax is lower by £2.4 million - from £2.3 million profit to a loss of approximately £82,000.

The energy market has become increasingly competitive, with numerous new entrants competing aggressively on price and claiming green credentials. We believe that this is the challenge Good Energy and Ecotricity both need to address.

Our view is that Good Energy does not have an effective plan for this competitive market and is in decline as a result. Analysis of the financial information published by Good Energy referenced above supports this view. That decline has accelerated significantly in the last three years. While the share price has risen in the last few months, we do not believe that this rise is underpinned by any fundamental changes in the business.

**Ecotricity believes strongly that it can significantly improve Good Energy's performance by combining the two businesses, removing operational inefficiencies within Good Energy and by adding its development and build skills to Good Energy's product offering.**

#### **4 INFORMATION ON ECOTRICITY**

##### **Ecotricity Group**

The Ecotricity Group's principal business is the supply of green energy to homes and businesses in the UK and the generation of power through its wind and solar park portfolio. It was founded in 1995. Ecotricity, the holding company of the Ecotricity Group, is wholly owned by Green Britain Group Limited, itself wholly owned by Dale Vince. The Ecotricity Group built its first windmill in 1996 and was the first company in the world to sell green electricity directly to customers.

The Ecotricity Group is based in Stroud, Gloucestershire and has a team of nearly 800 serving approximately 185,000 customers (domestic and business combined).

The Ecotricity Group owns 88.5 MW of installed onshore wind capacity and 1 MW of installed solar capacity. Its investment projects include the manufacture of small wind turbines for the domestic and export markets, green gas generation, solar installations and battery storage. All of the Ecotricity Group's turnover is generated in the UK.

For the most recent audited financial year ended 30 April 2020, the Ecotricity Group reported turnover of £230.0 million and a pre-tax loss of £3.9 million.

##### **Ecotricity Group Limited**

Ecotricity is incorporated under the laws of England and Wales and holds the Ecotricity Group's current interest in Good Energy. Ecotricity is wholly owned by Green Britain Group (company No. 12456925), in turn wholly owned by Dale Vince.

The current directors of Ecotricity are Dale Vince, Kate Vince, Alistair Harrison, Asif Rehmanwala, Paul Sands and Anita Yandell-Jones.

#### **5 INFORMATION ON GOOD ENERGY**

Good Energy Group is a generator and supplier of 100% renewable power and an innovator in energy services. It currently owns two wind farms, six solar farms and sources electricity from a community of 1,600 independent green power generators across the UK. The Good Energy Group supplies energy to over 132,000 domestic and 139,000 business customers.

For the most recent audited financial year ended 31 December 2020, Good Energy reported revenue of £130.6 million and a pre-tax loss of approximately £82,000.

#### **6 MANAGEMENT, EMPLOYEES AND LOCATIONS**

Our intention is to operate Good Energy and Ecotricity as separate brands within the market, each with their own identity and customer base.

We intend to retain the current headquarters and headquarter functions, operations and place of business of both Good Energy and Ecotricity.

We will undertake a strategic review of organisational structure, key functions, processes and systems of both companies, which we expect to take between two to three months to complete.

From this review we expect to identify potential efficiencies and synergies.

Ahead of completing this review we believe that the outcome may result in material (which we define as in the region of 10 per cent.) savings on both payroll (through reduced headcount) and non-pay overheads on a combined basis, from eliminating operational inefficiencies or duplicated functions or roles. Currently, we are unable to identify the mix of headcount and other savings between Ecotricity and Good Energy.

In respect of both Good Energy and Ecotricity, we have no intention of making material changes to the balance of skills and functions of employees and management and no intention to make material changes to the conditions of employment of staff or management.

Ecotricity has not entered into, and has not had discussions on proposals to enter into, any form of incentivisation nor any other arrangements with the management and employees of Good Energy.

Ecotricity will maintain existing arrangements for employer contributions to the pension schemes of both companies.

Ecotricity has no plans to redeploy any fixed assets of either company and will maintain the R&D operations that each company currently has.

We intend to de-list Good Energy from AIM and the AQSE, which we expect will result in savings of

time and cost. Paragraph 11 below details the intentions of Ecotricity in relation to de-listing, compulsory acquisition and re-registration.

Ecotricity otherwise confirms that, following the Offer becoming unconditional in accordance with its terms, the existing contractual and statutory employment rights, including in relation to pensions, of the Good Energy Group's management and employees will be fully safeguarded in accordance with applicable law.

## **7 GOOD ENERGY SHARE OPTION SCHEMES**

The Offer will affect holders of options under the Good Energy Share Option Schemes. Appropriate proposals will be made to the holders of such options in accordance with Rule 15 of the Code, and each grant of such options shall be treated in accordance with the rules applicable to it. Further details of these arrangements will be communicated to holders of options under the Good Energy Share Option Schemes in due course.

## **8 DISCLOSURE OF INTERESTS IN GOOD ENERGY SHARES**

As at the close of business on the Last Practicable Date, save for the 4,169,948 Good Energy Shares currently held by Ecotricity, representing approximately 25.1 per cent. of the issued ordinary share capital of Good Energy, neither Ecotricity nor, so far as Ecotricity is aware, any person acting in concert with Ecotricity for the purposes of the Offer, has an interest in or right to subscribe for, or has any arrangement in relation to, relevant securities of Good Energy, or had any short position in relation to any relevant securities of Good Energy, 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 Good Energy, or has borrowed or lent (including for these purposes, entering into any financial collateral arrangements of the kind referred to in Note 4 to Rule 4.6 of the Code) any relevant securities of Good Energy. For these purposes, "**arrangement**" includes any indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to Good Energy Shares which may be an inducement to deal or refrain from dealing in such shares. In this paragraph, "relevant securities of Good Energy" means Good Energy Shares and securities convertible into, or rights to subscribe for, options (including trade options) in respect thereof and derivatives referenced thereto.

## **9 FINANCING THE OFFER**

The consideration payable under the Offer will be funded out of Ecotricity's existing cash resources, including an unsecured interest free loan made by Dale Vince to the Company on 7 June 2021, the terms of which have been recorded in the Loan Agreement. Zeus Capital, financial adviser to Ecotricity, is satisfied that sufficient resources are available to Ecotricity to satisfy in full the cash consideration payable to Good Energy Shareholders under the terms of the Offer.

## **10 FURTHER DETAILS OF THE OFFER**

Ecotricity reserves the right, subject to the prior consent of the Panel, to implement the Offer by way of a scheme of arrangement. In such event, the Offer will be implemented on the same terms, so far as applicable, as those which would apply under a contractual offer, subject to appropriate amendments to reflect the change in method of effecting the Offer.

The Offer Document and, in respect of Good Energy Shares held in certificated form, the Form of Acceptance accompanying the Offer Document will be published within 28 days of this announcement (or such later date as may be agreed with the Takeover Panel), and not within 14 days of this announcement, other than with the consent of the Good Energy board. The Offer Document and in respect of Good Energy Shares held in certificated form, accompanying Form of Acceptance will be made available to all Good Energy Shareholders (except in Restricted Jurisdictions) at no charge to them. Good Energy Shareholders are urged to read the Offer Document and the accompanying Form of Acceptance when they are sent to them because they will contain important information.

## **11 CANCELLATION OF TRADING ON AIM, WITHDRAWAL OF TRADING ON AQSE, COMPULSORY ACQUISITION AND RE-REGISTRATION**

If the Offer becomes or is declared unconditional, and valid acceptances in respect of Good Energy Shares which, together with Good Energy Shares acquired, or agreed to be acquired, before or during the Offer by Ecotricity, represent not less than 75 per cent. of the voting rights attaching to the Good Energy Shares, Ecotricity intends to procure that Good Energy will make applications to cancel the admission of the Good Energy Shares to trading on AIM and to withdraw the trading in Good Energy Shares on AQSE.

If such applications are made, it is expected that cancellation of admission to trading on AIM and withdrawal of trading on AQSE will each take place no earlier than 20 Business Days after the date on which Ecotricity has, by virtue of its shareholding and acceptances of the Offer, acquired, or agreed to acquire, 75 per cent. of the voting rights attaching to the Good Energy Shares. Ecotricity will procure that Good Energy makes a regulatory announcement when the necessary 75 per cent. threshold has been reached confirming that the notice period has commenced and the anticipated date of cancellation and withdrawal.

If the Offer becomes or is declared unconditional, and valid acceptances in respect of Good Energy Shares which, together with Good Energy Shares acquired before or during the Offer by Ecotricity, represent not less than 50 per cent. and not more than 75 per cent. of the voting rights attaching to the Good Energy Shares, Ecotricity intends to procure that, at a meeting of Good Energy Shareholders, a vote is held on a resolution that Good Energy make applications to cancel the admission of the Good Energy Shares to trading on AIM and to withdraw the trading in Good Energy Shares on AQSE.

Cancellation of admission to trading on AIM and withdrawal of trading on AQSE is likely to reduce significantly the liquidity and marketability of any Good Energy Shares in respect of which the

Offer has not at such time been accepted.

For so long as Good Energy Shares remain admitted to trading on AIM or the AQSE, Ecotricity intends that Good Energy maintain a board of directors that complies with the relevant rules of the exchanges and the QCA Corporate Governance Code.

If Ecotricity receives acceptances under the Offer in respect of or otherwise acquires 90 per cent. or more of Good Energy Shares to which the Offer relates and not less than 90 per cent. of the voting rights carried by those shares, Ecotricity intends to exercise its rights pursuant to the provisions of sections 974 to 991 (inclusive) of the 2006 Act to acquire compulsorily the remaining Good Energy Shares in respect of which the Offer has not been accepted on the same terms as the Offer.

It is also proposed that, if the Offer becomes or is declared as unconditional and Ecotricity receives valid acceptances in respect of Good Energy Shares which, together with the Good Energy Shares acquired, or agreed to be acquired, before or during the Offer by Ecotricity, represent not less than 75 per cent. of the voting rights attaching to the Good Energy Shares, Ecotricity expects to seek to re-register Good Energy as a private company under the relevant provisions of the 2006 Act.

## 12 OVERSEAS SHAREHOLDERS

The availability of the Offer to persons who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Such persons should inform themselves about and observe any applicable requirements. Further details in relation to Overseas Shareholders will be contained in the Offer Document.

## 13 DOCUMENTS ON DISPLAY

In accordance with Rule 26 of the Takeover Code, subject to certain restrictions relating to persons resident in the United States, Canada, Australia or Japan or any jurisdiction where to make it so available would constitute a breach of securities laws in that jurisdiction, copies of the following documents will be made available, on the Ecotricity Group's website at [www.ecotricity.co.uk](http://www.ecotricity.co.uk) by no later than 12 noon (London time) on the Business Day following the date of this announcement until the end of the Offer Period:

- this announcement;
- the Rule 2.4 Announcement
- consent letter from Zeus Capital; and
- the Loan Agreement.

## 14 GENERAL

Further information on the terms and conditions to which the Offer will be subject is set out in Appendix 1 and will be set out in the Offer Document which Ecotricity will despatch to Good Energy Shareholders in due course. The Offer Document will be accompanied by a Form of Acceptance.

Appendix 2 of this announcement contains the sources and bases of certain information used in this announcement. Appendix 3 of this announcement contains definitions of certain terms used throughout this announcement.

## 15 ENQUIRIES

### **Ecotricity Group Limited**

Will Guyatt, Head of Communications

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### **Zeus Capital Limited (Financial Adviser to Ecotricity Group Limited)**

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David Bick

**Tel:** +44 207 929 5599

## IMPORTANT NOTICES

*This announcement is for informational purposes only. It 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, pursuant to the Offer or otherwise. The Offer Document and Form of Acceptance will be made available to all Good Energy Shareholders not in Restricted Jurisdictions at no cost to them. Shareholders are advised to read the Offer Document and the*

accompanying Form of Acceptance when they are sent to them because they will contain important information.

The availability of the Offer to persons who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Such persons should inform themselves about and observe any applicable requirements. Further details in relation to Overseas Shareholders will be contained in the Offer Document.

This announcement has been prepared for the purposes of complying with English law and the Takeover Code and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

The Offer will be subject to the applicable rules and regulations of the London Stock Exchange and the Takeover Code.

Unless otherwise determined by Ecotricity or required by the Takeover Code, and permitted by applicable law and regulation, the Offer will not be made, directly or indirectly, in, into or from, and will not be capable of acceptance in or from the United States, Canada, Australia or Japan or any jurisdiction where to do so would constitute a breach of securities laws in that jurisdiction. Accordingly, copies of this announcement are not being, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from the United States, Canada, Australia or Japan or any jurisdiction where to do so would constitute a breach of securities laws in that jurisdiction. Persons receiving this announcement (including custodians, nominees and trustees) should observe these restrictions and should not send or distribute this announcement in, into or from any such jurisdictions.

Zeus Capital, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as financial adviser to Ecotricity and for no one else in connection with the Offer and will not be responsible to any person other than Ecotricity for providing the protections afforded to clients of Zeus Capital, nor for providing advice in relation to the Offer, the content of this announcement or any matter referred to herein. Neither Zeus Capital 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 Zeus Capital in connection with this announcement, any statement contained herein or otherwise.

#### **FORWARD-LOOKING STATEMENTS**

This announcement includes certain "forward-looking statements". The forward-looking statements contained in this announcement include may statements about Ecotricity's plans, objectives and expected performance. Forward-looking statements include, without limitation, statements typically containing words such as "intends", "expects", "anticipates", "targets", "estimates" and words of similar import. These statements are based on certain assumptions, the current expectations of Ecotricity and are naturally subject to uncertainty and changes in circumstances. 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. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction of the conditions to the Offer, continued demand for Good Energy's products and services, competition in the markets in which Good Energy operates, changes in economic conditions, changes in the level of capital investment, success of business and operating initiatives and restructuring objectives, customers' strategies and stability, changes in the regulatory environment, fluctuations in interest and exchange rates, the outcome of litigation, government actions and natural phenomena such as floods, earthquakes and hurricanes. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Accordingly, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this announcement. Ecotricity expressly disclaims any obligation to update publicly or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

#### **DEALING DISCLOSURE REQUIREMENTS**

Under Rule 8.3(a) of the Takeover 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 Takeover Code 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 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, save 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 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 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](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.

## APPENDIX 1

### CONDITIONS AND FURTHER TERMS OF THE OFFER

The Offer, which will be made by Ecotricity, will comply with the Takeover Code and all applicable rules and regulations of the London Stock Exchange, will be governed by English law and will be subject to the jurisdiction of the Courts of England.

In addition, the Offer will be subject to the terms to be set out in the Offer Document and (in the case of Good Energy Shares in certificated form) the Form of Acceptance.

#### PART A: THE CONDITIONS OF THE OFFER

##### Acceptance condition

- 1 The Offer is conditional upon valid acceptances of the Offer having been received (and not validly withdrawn in accordance with the rules and requirements of the Code and the terms of the Offer) by no later than 1.00 p.m. (London time) on the Unconditional Date (or such other times and/or dates as Ecotricity may specify, subject to the rules of the Code and where applicable with the consent of the Panel) in respect of such number of Good Energy Shares which, when aggregated with the Good Energy Shares held by Ecotricity at the date of the Offer and any Good Energy Shares acquired or agreed to be acquired by Ecotricity on or after such date, carry more than 50 per cent. of the voting rights then exercisable at a general meeting of Good Energy, including for this purpose any such voting rights attaching to Good Energy Shares that are unconditionally allotted but not issued before the Offer becomes or is declared unconditional whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise, provided that, unless the Panel consents otherwise, this Condition shall only be capable of being satisfied when all other Conditions set out in paragraph 2 below have been satisfied or waived. For the purpose of this condition, Good Energy Shares which have been unconditionally allotted shall be deemed to carry the voting rights they will carry upon being entered into the register of members of Good Energy.

##### Other conditions

- 2 Subject to the provisions of Part B of this Appendix 1 and the requirements of the Panel in accordance with the Code, the Offer is also conditional upon the satisfaction or, where relevant, waiver of the following Conditions, and, accordingly, the Offer will not become or be declared unconditional unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

##### Competition

- ( a ) insofar as the Offer and/or the proposed acquisition of Good Energy by Ecotricity constitutes a relevant merger situation for the purpose of the Enterprise Act 2002, the CMA or Secretary of State (if applicable) issuing a decision in terms satisfactory to Ecotricity that it is not the CMA's or, if applicable, Secretary of State's intention to make a Phase 2 CMA reference, such decision being either unconditional or conditional on the CMA's acceptance of undertakings in lieu under Section 73 Enterprise Act 2002 which are satisfactory to Ecotricity (or the applicable time period for the CMA to issue either decision having expired without it having done so and without it having made a Phase 2 CMA reference);

##### Other third party clearances

- (b) no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction (each a "**Third Party**") having given notice of a decision to take, institute, implement 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 any statute, regulation, decision, order or change to published practice and there not continuing to be outstanding any statute, regulation, decision or order which would or might:
  - (i) make the Offer, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Good Energy Group by any member of the Wider Ecotricity Group void, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prevent, prohibit, or restrain, restrict, impede, challenge, delay or otherwise interfere with the implementation of, or impose additional material conditions or obligations with respect to, the Offer or the acquisition of any shares or other securities in, or control or management of, any member of the Wider Good Energy Group by any member of the Wider Ecotricity Group or require amendment of the terms of the Offer;
  - (ii) require, prevent or delay the divestiture or alter the terms envisaged for such divestiture by any member of the Wider Ecotricity Group or by any member of the

Wider Good Energy Group of all or any part of their businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof);

- (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Ecotricity Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Good Energy (or any member of the Wider Good Energy Group) or on the ability of any member of the Wider Good Energy Group or any member of the Wider Ecotricity Group directly or indirectly to hold or exercise effectively any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise management control over, any member of the Wider Good Energy Group;
- (iv) other than pursuant to the Offer or Part 28 of the 2006 Act, require any member of the Wider Ecotricity Group or the Wider Good Energy Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Good Energy Group or any asset owned by any third party;
- (v) require, prevent or materially delay a divestiture by any member of the Wider Ecotricity Group of any shares or other securities (or the equivalent) in any member of the Wider Good Energy Group;
- (vi) result in any member of the Wider Good Energy Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (vii) impose any limitation on the ability of any member of the Wider Ecotricity Group or any member of the Wider Good Energy Group to conduct, integrate or co-ordinate all or any part of their respective businesses with all or any part of the business of any other member of the Wider Ecotricity Group and/or the Wider Good Energy Group in a manner which is materially adverse to the Wider Ecotricity Group and/or the Wider Good Energy Group; or
- (viii) otherwise affect the business, assets, value, profits, prospects or operational performance of any member of the Wider Good Energy Group or any member of the Wider Ecotricity Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Offer or proposed acquisition of any Good Energy Shares or otherwise intervene having expired, lapsed, or been terminated;

- (a) all notifications, filings or applications which are deemed by Ecotricity to be necessary or appropriate having been made in connection with the Offer and all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with and all Authorisations which are deemed by Ecotricity to be necessary or appropriate in any jurisdiction for or in respect of the Offer or the proposed acquisition of any shares or other securities in, or control of, Good Energy by any member of the Wider Ecotricity Group having been obtained in terms and in a form satisfactory to Ecotricity from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Good Energy Group or the Wider Ecotricity Group has entered into contractual arrangements and all such Authorisations which are deemed by Ecotricity to be necessary or appropriate to carry on the business of any member of the Wider Good Energy Group in any jurisdiction having been obtained and all such Authorisations remaining in full force and effect at the time at which the Offer becomes otherwise unconditional and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;
- (b) no temporary restraining order, preliminary or permanent injunction, preliminary or permanent enjoinder, or other order threatened or issued and being in effect by a court or other Third Party which has the effect of making the Offer or any acquisition or proposed acquisition of any shares or other securities or control or management of, any member of the Wider Good Energy Group by any member of the Wider Ecotricity Group, or the implementation of either of them, void, voidable, illegal and/or enforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prohibiting, preventing, restraining, restricting, delaying or otherwise interfering with the consummation or the approval of the Offer or any matter arising from the proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Good Energy Group by any member of the Wider Ecotricity Group;

#### **Confirmation of absence of adverse circumstances**

- (c) except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Good Energy Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Offer or the proposed acquisition by any member of the Wider Ecotricity Group of any shares or other securities in Good Energy or because of a change in the control or management of any member of the Wider Good Energy Group or otherwise, would or might reasonably be expected to result in, in each case to an extent which is material in the context of the Wider Good Energy Group taken as a whole or in the context of the Offer or to the obligations of any member of the Wider Ecotricity Group in connection with the financing of the Offer:
  - (i) any monies borrowed by, or any other indebtedness, actual or contingent of, or any grant available to, any member of the Wider Good Energy Group being or becoming repayable, or capable of being declared repayable, immediately or prior

to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;

- (ii) the rights, liabilities, obligations, interests or business of any member of the Wider Good Energy Group or any member of the Wider Ecotricity Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Good Energy Group or any member of the Wider Ecotricity Group in or with any other firm or company or body or person (or any agreement or arrangement relating to any such business or interests) being or likely to become terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken or arising thereunder;
- (iii) any member of the Wider Good Energy Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (iv) any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Good Energy Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Good Energy Group;
- (v) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Good Energy Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen), becoming enforceable;
- (vi) the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Good Energy Group being prejudiced or adversely affected;
- (vii) the creation or acceleration of any liability (actual or contingent) by any member of the Wider Good Energy Group; or
- (viii) any liability of any member of the Wider Good Energy Group to make any severance, termination, bonus or other payment to any of its directors or other officers;

**No material transactions, claims or changes in the conduct of the business of the Good Energy Group**

- (d) except as Disclosed, no member of the Wider Good Energy Group having since 31 December 2020:
  - (i) save as between Good Energy and its wholly-owned subsidiaries or between such wholly-owned subsidiaries and save for the issue of Good Energy Shares on the exercise of options or vesting of awards granted before 31 December 2020 under the Good Energy Share Option Schemes, 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 or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities;
  - (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) other than to Good Energy or one of its wholly-owned subsidiaries;
  - (iii) save as between Good Energy and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, merged with (by statutory merger or otherwise) or demerged from or acquired any body corporate, partnership or business or acquired or disposed of, or, other than in the ordinary course of business, transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so;
  - (iv) save as between Good Energy and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, made, authorised, proposed or announced an intention to propose any change in its loan capital;
  - (v) 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 debentures or (save as between Good Energy and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or become subject to any contingent liability;
  - (vi) entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary, any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) except in the ordinary course of business which is of a long term, unusual or onerous nature or magnitude or which involves or could reasonably be expected to involve an obligation of a nature or magnitude which is or is likely to be restrictive on the business of any member of the Wider Good Energy Group and which, in any case, is material in the context of the Wider Good Energy Group;
  - (vii) entered into any licence or other disposal of intellectual property rights of any member of the Wider Good Energy Group which are material in the context of the Wider Good Energy Group and outside the normal course of business;
  - (viii) entered into, varied, authorised or proposed entry into or variation of, or

announced its intention to enter into or vary the terms of or made any offer (which remains open for acceptance) to enter into or vary the terms of, any contract, commitment, arrangement or any service agreement with any director or senior executive of the Wider Good Energy Group;

- (ix) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme, or other benefit relating to the employment or termination of employment of any employee of the Wider Good Energy Group;
- (x) made or agreed or consented to any significant change to the terms of the trust deeds constituting the pension schemes established for its directors and/or employees and/or their dependants or to the benefits which accrue, or to the pensions which are payable under such schemes, or to the basis on which qualification for or accrual or entitlement to such benefits or pensions are calculated or determined or to the basis upon which the liabilities (including pensions) of such pension schemes are funded or made, or agreed or consented to any change to the trustees involving the appointment of a trust corporation;
- (xi) entered into, implemented or effected, or authorised, proposed or announced its intention to implement or effect, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement (other than the Offer);
- (xii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect of the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital;
- (xiii) waived, compromised or settled any claim otherwise than in the ordinary course of business;
- (xiv) made any alteration to its articles of association or other constitutional documents;
- (xv) (other than in respect of a member which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (xvi) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
- (xvii) entered into any contract, commitment, agreement or arrangement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this condition;
- (xviii) terminated or varied the terms of any agreement or arrangement between any member of the Wider Good Energy Group and any other person in a manner which would or might be expected to have a material adverse effect on the financial position of the Good Energy Group taken as a whole; or
- (xix) having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Good Energy Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code;

**No material adverse change**

- (e) since 31 December 2020, and except as Disclosed:
  - (i) there having been no adverse change and no circumstance having arisen which would be expected to result in any adverse change or deterioration in the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Good Energy Group to an extent which is material to the Good Energy Group taken as a whole or in the context of the Offer or in the obligations of any member of the Wider Ecotricity Group in connection with the Offer;
  - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings including, without limitation, with regard to intellectual property rights used by the Wider Good Energy Group having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider Good Energy Group or to which any member of the Wider Good Energy Group is or may become a party (whether as claimant or defendant or otherwise) and no enquiry, review, investigation or enforcement proceedings by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Good Energy Group having been threatened, announced or instituted by or against, or remaining outstanding in respect of, any member of the Wider Good Energy Group which, in any such case, might be expected to have a material adverse effect on the Good Energy Group taken as a whole or in the context of the Offer;
  - (iii) no contingent or other liability having arisen, increased or become apparent which

might be likely adversely to affect the business, assets, financial or trading position, profits, prospects or operational performance of any member of the Wider Good Energy Group to an extent which is material to the Good Energy Group taken as a whole or in the context of the Offer; and

- (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 licence held by any member of the Wider Good Energy Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material and likely to have an adverse effect on the Good Energy Group taken as a whole or in the context of the Offer;
- (f) since 31 December 2020, and except as Disclosed, Ecotricity not having discovered:
  - (i) that any financial, business or other information concerning the Wider Good Energy Group publicly announced or disclosed to any member of the Wider Ecotricity Group at any time by or on behalf of any member of the Wider Good Energy Group or to any of their advisers is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make that information not misleading;
  - (ii) that any member of the Wider Good Energy Group is subject to any liability, contingent or otherwise, which is not disclosed in the Annual Report, and which is material in the context of the Good Energy Group or in the context of the Offer; or
  - (iii) any information which affects the import of any information disclosed to Ecotricity at any time by or on behalf of any member of the Wider Good Energy Group;

#### **Environmental and other issues**

- (g) except as Disclosed, Ecotricity not having discovered that:
  - (i) any past or present member of the Wider Good Energy Group has not complied with all applicable legislation or regulations, notices or other requirements of any jurisdiction or any Third Party or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or greenhouse gas, or any substance likely to impair the environment (including property) or harm the health of humans, animals or other living organisms or eco-systems or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider Good Energy Group;
  - (ii) there has been a disposal, discharge, spillage, accumulation, leak, emission, release or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or greenhouse gas or any substance likely to impair the environment (including any property) or harm human health which (whether or not giving rise to non-compliance with any law or regulation) would be likely to give rise to any liability (whether actual or contingent) on the part of any member of the Wider Good Energy Group;
  - (iii) there is or is likely to be any obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, re-instate or clean up any property, asset currently or previously owned, occupied or made use of by any past or present member of the Wider Good Energy Group (or on its behalf), or in which any such member may have or previously have had or be deemed to have had an interest, or other elements of the environment (including any controlled waters) under any environmental legislation, common law, regulation, notice, circular, Authorisation, other legally binding requirement or order of any Third Party or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto;
  - (iv) circumstances exist (whether as a result of the Offer or otherwise):
    - (aa) which would be likely to lead to any Third Party instituting; or
    - (bb) whereby any member of the Wider Good Energy Group or any present or past member of the Wider Good Energy Group would be likely to be required to institute,  
  
an environmental audit or take any other steps which would in any such case be likely to result in any liability (whether actual or contingent) to improve, modify existing or install new plant, machinery or equipment or carry out changes in the processes currently carried out or make good, remediate, repair, re-instate or clean up any land or other asset currently or previously owned, occupied or made use of by any past or present member of the Wider Good Energy Group (or on its behalf) or by any person for which a member of the Wider Good Energy Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest; or
  - (v) circumstances exist whereby a person or class of persons would be likely to have any claim or claims in respect of any product or process of manufacture or materials used therein currently or previously manufactured, sold or carried out by any past or present member of the Wider Good Energy Group which claim or claims would be likely to affect any member of the Wider Good Energy Group;

#### **Intellectual property**

- (h) no circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider Good Energy Group which would have a material adverse effect on the Wider Good Energy Group taken as a whole or is

otherwise material in the context of the Offer, including:

- (i) any member of the Wider Good Energy Group losing its title to any intellectual property material to its business, or any intellectual property owned by the Wider Good Energy Group and material to its business being revoked, cancelled or declared invalid;
- (ii) any claim being asserted in writing or threatened in writing by any person challenging the ownership of any member of the Wider Good Energy Group to, or the validity or effectiveness of, any of its intellectual property; or
- (iii) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Good Energy Group being terminated or varied;

#### **Anti-corruption and sanctions**

- (i) Ecotricity not having discovered that:
  - (i) any past or present member of the Wider Good Energy 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 or any other applicable anti-corruption legislation; or
  - (ii) any past or present member of the Wider Good Energy 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

#### **No criminal property**

- (j) Ecotricity not having discovered that any asset of any member of the Wider Good Energy 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: CERTAIN FURTHER TERMS OF THE OFFER**

- 1 Subject to the requirements of the Panel, Ecotricity reserves the right to waive, in whole or in part, all or any of the conditions set out in paragraph 2 of Part A of this Appendix 1.
- 2 The Offer shall lapse unless all of the conditions set out in Part A of this Appendix 1 have been fulfilled or, where permitted, waived or, where appropriate, have been determined by Ecotricity to be or remain satisfied, by midnight (London time) on the earlier of the Unconditional Date and the 61<sup>st</sup> day after publication of the Offer Document (subject to the rules of the Code and where applicable the consent of the Panel). Ecotricity shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as satisfied any of the conditions set out in paragraph 2 of Part A of this Appendix 1 by a date earlier than the latest date specified above for the fulfilment thereof, notwithstanding that the other conditions to the Offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any such condition(s) may not be capable of fulfilment.
- 3 If Ecotricity is required to make a mandatory offer for Good Energy Shares under Rule 9 of the Code, Ecotricity may make such alterations to the conditions of the Offer as are necessary to comply with the Code.
- 4 Ecotricity reserves the right, subject to the prior consent of the Panel, to implement the Offer by way of a scheme of arrangement. In such event, the Offer will be implemented on the same terms, so far as applicable, as those which would apply under a contractual offer, subject to appropriate amendments to reflect the change in method of effecting the Offer.
- 5 If the Offer lapses for any reason, the Offer will cease to be capable of further acceptance, and Ecotricity and accepting Good Energy Shareholders will cease to be bound by acceptances of the Offer delivered on or before the time when the Offer lapses.
- 6 Under Rule 13.5(a) of the Code, Ecotricity may not invoke a Condition so as to cause the Offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Ecotricity in the context of the Offer. Ecotricity may only invoke a Condition that is subject to Rule 13.5(a) with the consent of the Panel and any Condition that is subject to Rule 13.5(a) may be waived by Ecotricity. The condition set out in paragraph 1 of Part A of this Appendix 1 is not subject to Rule 13.5(a) of the Code.
- 7 The Offer will extend to all Good Energy Shares unconditionally allotted or issued on the date on

which the Offer is made, and any further Good Energy Shares unconditionally allotted or issued, and any Treasury Shares unconditionally sold or transferred by Good Energy, in each case, while the Offer remains open for acceptance (or such earlier date or dates as Ecotricity may decide).

- 8 The Good Energy Shares which are the subject of the Offer will be acquired under the Offer fully paid and free from all liens, equities, charges, encumbrances, rights of pre-emption and any other third party rights or interests of any nature whatsoever and together with all rights now or hereafter attaching thereto, including the right to receive and retain in full all dividends and other distributions declared, made or paid after the date of this announcement. If any dividend or other distribution or return of value is proposed, declared, made, paid or becomes payable by Good Energy in respect of a Good Energy Share on or after the date of this announcement, Ecotricity will have the right to reduce the value of the consideration payable for each Good Energy Share by up to the amount per Good Energy Share of such dividend, distribution or return of value except where the Good Energy Share is or will be acquired pursuant to the Offer on a basis which entitles Ecotricity to receive the dividend, distribution or return of value and to retain it. If any such dividend, distribution or return of value is paid or made after the date of this announcement and Ecotricity exercises its rights described above, any reference in this announcement to the consideration payable under the Offer shall be deemed to be a reference to the consideration as so reduced. Any exercise by Ecotricity of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Offer.

## APPENDIX 2

### SOURCE 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) As at the close of business on 21 July 2021, Good Energy had 16,643,067 ordinary shares of 5 pence each in issue and admitted to trading on AIM and AQSE.
- (b) The value attributed to the issued and to be issued ordinary share capital of Good Energy is based upon the 16,643,067 Good Energy Shares publicly disclosed as being in issue as at the date of this announcement, and the 843,320 Good Energy Shares which have been publicly disclosed as being the subject of outstanding options granted under the Good Energy Share Option Schemes with an exercise price lower than the Offer Price.
- (c) Unless otherwise stated, the financial information concerning Good Energy has been extracted from the audited annual report and accounts for Good Energy for the period ended 31 December 2020.
- (d) Unless otherwise stated, the financial information concerning Ecotricity has been extracted from the audited annual report and accounts for Ecotricity for the period ended 30 April 2020.
- (e) Good Energy Share prices have been derived from the AIM appendix to the Daily Official List and represent the Closing Prices on the relevant date.
- ( f ) References to a percentage of Good Energy's issued ordinary share capital are based on the number of Good Energy Shares in issue as set out in paragraph (a) above.

## APPENDIX 3

### DEFINITIONS

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

"2006 Act"	Companies Act 2006;
"AIM"	a market of the London Stock Exchange;
"Annual Report"	the annual report and accounts of Good Energy Group for the year ended 31 December 2020;
"AQSE"	Aquis Stock Exchange Growth Market;
"Authorisations"	authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, certificates, permissions or approvals;
"Board"	as the context requires, the board of directors of Good Energy or the board of directors of Ecotricity and the terms " <b>Good Energy Board</b> " and " <b>Ecotricity Board</b> " shall be construed accordingly;
"Business Day"	a day (excluding Saturdays, Sundays and public holidays) on which banks are

<b>"CAGR"</b>	open for business in the City of London; compound annual growth rate;
<b>"Closing Price"</b>	the closing middle-market quotation of a Good Energy Share as derived from the AIM appendix to the Daily Official List of the London Stock Exchange;
<b>"CMA"</b>	the Competition and Markets Authority;
<b>"Code" or "Takeover Code"</b>	the City Code on Takeovers and Mergers;
<b>"Conditions"</b>	the conditions of the Offer set out in the Offer Document and <b>"Condition"</b> means any one of them;
<b>"Daily Official List"</b>	the AIM appendix to the daily Official List of the London Stock Exchange;
<b>"Dealing Disclosure"</b>	has the meaning given in Rule 8 of the Code;
<b>"Disclosed"</b>	the information disclosed by, or on behalf of, Good Energy (i) in the Annual Report; and (ii) in any announcement to a Regulatory Information Service by, or on behalf of, Good Energy, prior to this announcement;
<b>"Ecotricity"</b>	Ecotricity Group Limited, incorporated in England and Wales with company number 03521776 and whose registered office is at Lion House, Rowcroft, Stroud, Gloucestershire, England, GL5 3BY;
<b>"Ecotricity Group"</b>	Ecotricity and its subsidiary undertakings and, where the context permits, each of them;
<b>"FCA"</b>	the Financial Conduct Authority or its successor from time to time;
<b>"FCA Handbook"</b>	the handbook of rules and guidance made by the FCA;
<b>"Form of Acceptance"</b>	the form of acceptance and authority relating to the Offer to be despatched to Good Energy Shareholders with the Offer Document holding Good Energy Shares in certificated form;
<b>"Good Energy"</b>	Good Energy Group PLC, incorporated in England and Wales with company number 04000623 and whose registered office is at Good Energy, Monkton Park Offices, Monkton Park, Chippenham, Wiltshire, United Kingdom, SN15 1GH;
<b>"Good Energy Group"</b>	Good Energy and its subsidiary undertakings and, where the context permits, each of them;
<b>"Good Energy Shareholders"</b>	holders of Good Energy Shares;
<b>"Good Energy Share Option Schemes"</b>	the Good Energy Employee Share Option Scheme and the Good Energy Performance Share Plan referred to in the Annual Report;
<b>"Good Energy Shares"</b>	the existing issued or unconditionally allotted and fully paid (or credited as fully paid) ordinary shares of 5 pence each in the capital of Good Energy and any further such shares which are unconditionally allotted or issued while the Offer remains open for acceptance or, subject to the provisions of the Code, by such earlier date as Ecotricity may determine;
<b>"Last Practicable Date"</b>	21 July 2021, being the last practicable date prior to the publication of this announcement;
<b>"Loan Agreement"</b>	the loan agreement dated 22 July 2021

between Dale Vince and Ecotricity recording the terms of the loan of £26,000,000 made by Dale Vince to Ecotricity on 7 June 2021;

<b>"London Stock Exchange"</b>	London Stock Exchange plc;
<b>"Offer"</b>	the cash offer to be made by Ecotricity at the Offer Price to acquire all the Good Energy Shares not otherwise held by the Ecotricity Group on the terms and subject to the conditions to be set out in the Offer Document and, in the case of Good Energy Shares held in certificated form, the Form of Acceptance, including, where the context so requires, any subsequent revision, variation, extension or renewal of such offer;
<b>"Offer Document"</b>	the document to be sent to Good Energy Shareholders containing the terms and conditions of the Offer;
<b>"Offer Period"</b>	the offer period (as defined in the Code) relating to Good Energy that commenced on 12 July 2021 (the date on which Ecotricity made the Rule 2.4 Announcement) and ending on the date when the Offer becomes or is declared unconditional or lapses or is withdrawn;
<b>"Offer Price"</b>	340 pence per Good Energy Share;
<b>"Overseas Shareholders"</b>	Good Energy Shareholders whose registered addresses are outside the UK and the United States or who are citizens or residents of countries other than the UK and the United States;
<b>"Panel"</b>	the Panel on Takeovers and Mergers;
<b>"Phase 2 CMA reference"</b>	a reference pursuant to sections 22 or 33, 45 or 62 of the Enterprise Act 2002 of the Offer and/or the proposed acquisition of Good Energy by Ecotricity to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013;
<b>"pounds", "£" or "pence"</b>	the lawful currency of the United Kingdom;
<b>"Regulatory Information Service"</b>	a regulatory information service as defined in the FCA Handbook;
<b>"Restricted Jurisdiction"</b>	the United States, Canada, Australia, Japan and any other jurisdiction where local laws or regulations may result in significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Good Energy Shareholders in that jurisdiction;
<b>"Rule 2.4 Announcement"</b>	the announcement by Ecotricity on 12 July 2021 of a possible offer for Good Energy;
<b>"subsidiary", "subsidiary undertaking", "associated undertaking" and "undertaking"</b>	shall be construed in accordance with the 2006 Act;
<b>"Treasury Shares"</b>	shares held as treasury shares as defined in section 724(5) of the 2006 Act;
<b>"UK" or "United Kingdom"</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>"Unconditional Date"</b>	the sixtieth day following the publication of the Offer Document or such other date as may otherwise be set as being "Day 60" of the timetable of the Offer in accordance with the Code, or such earlier date as Ecotricity may specify in any statement in which Ecotricity, in accordance with Rule 31.5 of the Code, brings forward the latest date by which all of the Conditions must be satisfied or waived (an "acceleration statement"), unless, where permitted, it has set

<b>"United States of America", "US" or "United States"</b>	aside that statement; the United States of America, its possessions and territories, all areas subject to its jurisdiction or any subdivision thereof, any State of the United States and the District of Columbia;
<b>"Wider Ecotricity Group"</b>	the Ecotricity Group and any of its subsidiaries, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which Ecotricity and such undertakings (aggregating their interests) have a direct or indirect interest of 20 per cent. or more of the voting or equity capital or equivalent;
<b>"Wider Good Energy Group"</b>	the Good Energy Group and any of its subsidiaries, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which Good Energy and such undertakings (aggregating their interests) have a direct or indirect interest of 20 per cent. or more of the voting or equity capital or equivalent; and
<b>"Zeus Capital"</b>	Zeus Capital Limited, the financial adviser to Ecotricity.

All times referred to are London time unless otherwise stated. All references to "GBP", "pence", "sterling" or "£" are to the lawful currency of the United Kingdom.

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