



14 February 2017

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RWS Holdings plc

Acquisition and Placing

RWS Holdings plc ("RWS", "the Group"), a world leading provider of intellectual property support services (patent translations, international patent filing solutions and searches), commercial translations and linguistic validation, today announces the proposed acquisition of 100% of LUZ, Inc. ("LUZ"), a market leading Life Sciences language services provider based in San Francisco ("the Acquisition"), for a cash consideration of US\$82.5m (the "Consideration"). The Group also announces a placing to raise gross proceeds of £40.0m (the "Placing") to part-fund the Acquisition.

Acquisition Highlights & Rationale

- Strengthens RWS's leading position in global Life Sciences following successful CTi acquisition
- Increases market share, footprint and specialist positioning
- Adds complementary regulatory and medical device specialisms, resulting in a full service offering in Life Sciences
- Adds complementary West Coast location, enhancing US presence
- The Acquisition and Placing are expected to be immediately earnings enhancing
- Completion of the Acquisition is expected to occur on 17 February 2017 following completion of the Placing

The Placing

Numis on behalf of RWS has placed 12.1m new Ordinary Shares at a price of 330 pence per share with new and existing investors, raising £40.0m (approximately £38.8m net of expenses) and representing approximately 5.6% of the Company's existing issued share capital.

The proceeds of the Placing will be used to fund part of the Consideration, with the balance of the Consideration (plus the payment of working capital balances and transaction costs) to be funded from a new US\$26.3m banking facility with Barclays Bank plc as well as existing RWS cash resources.

The Placing will allow the Group to maintain a strong balance sheet with a sensible gearing level.

Andrew Brode, Chairman of RWS, commented:

"We are delighted to be acquiring LUZ which, together with CTi, will strengthen the Enlarged Group as a leading player in the global Life Sciences translation space, with a significant presence across North America, Europe and Asia. We are also pleased with the level of support we have received from existing shareholders and new institutional investors in the Placing.

“Our Life Sciences activities will represent over 30% of the Enlarged Group’s revenues, with strong margins and further opportunities for growth. The Life Sciences sector also provides the potential for the Enlarged Group to develop and expand its other services, especially in patent translation and foreign filing.

“The acquisition of LUZ is an important element of our strategic vision to deliver high quality, full-service global language services across the value chain, and we are confident it will add significant value to our shareholders.”

For further information, contact:

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About RWS:

RWS is a world leading provider of intellectual property support services (patent translations, international patent filing solutions and searches), a market leader in Life Sciences translations and linguistic validation as well as a high level specialist language service provider in other technical areas, providing for the diverse needs of a blue-chip multinational client base from Europe, North America and Asia. RWS is based in the UK, with offices in Europe, the USA, (New York, East Hartford and Chicago), China, Japan and Australia, and is listed on AIM, the London Stock Exchange regulated market (RWS.L).

For further information, please visit: www.rws.com

This announcement contains inside information which is disclosed in accordance with the Market Abuse Regulation which came into effect on 3 July 2016.

This Announcement includes statements, estimates, opinions and projections with respect to anticipated future performance of the Group ("forward-looking statements") which reflect various assumptions concerning anticipated results taken from the Group's current business plan or from public sources which may or may not prove to be correct. These forward looking statements can be identified by the use of forward looking terminology, including the terms "anticipates", "target", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "should" or "will", or, in each case, their negative or other variations or comparable terminology or by discussions of strategy, plans, objectives, goals, future events or intentions. Such forward-looking statements reflect current expectations based on the current business plan and various other assumptions and involve significant risks and uncertainties and should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. As a result, prospective investors should not rely on such forward-looking statements due to the inherent uncertainty therein. No representation or warranty is given as to the completeness or accuracy of the forward-looking statements contained in this announcement. Forward-looking statements speak only as of the date of such statements and, except as required by the FCA, the London Stock Exchange or applicable law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. No statement in this Announcement is intended to be a profit forecast and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

Information on LUZ

Based in San Francisco with c.100 employees, LUZ is a market leading Life Sciences translation provider, specialising in medical devices and regulatory activities. LUZ services a number of the world's leading pharmaceutical and medical device manufacturers, enjoying a preferred supplier relationship with certain customers. The majority of LUZ's customers operate in highly regulated and audited industries, and they place a premium on high quality translations delivered to exacting deadlines. Services include translation, desktop publishing, client review coordination, and project management. The business' cloud-based AURORA translation management platform allows fully integrated service provision and seamless connectivity between suppliers and customers.

The strong operational management team of LUZ is expected to continue in current roles; the founders and current owners will exit in full after a short transition period.

LUZ has a strong financial track record, delivering, in the year to 31 December 2016, revenue of US\$29.2m (2015: US\$23.7m; 2014: US\$21.2m) and operating profit of US\$7.7m (2015: US\$3.6m; 2014: US\$3.4m).

Rationale for the Acquisition

The Acquisition is in line with RWS's stated strategy of complementing organic growth with selective acquisitions which have demonstrated growth prospects in attractive sectors and/or geographies, offer excellent margins and can enhance shareholder value.

The Acquisition strengthens the Group's leading position in global Life Sciences both in the US and Europe, building upon and complementing the October 2015 acquisition of Corporate Translations Inc. ("CTI") and creating a full service offering. It also enhances the platform for expansion into Asia, building on the existing Chinese and Japanese presence of other RWS divisions.

The Acquisition also brings strong cross-selling opportunities through enhanced exposure to the important West Coast patent market and potentially bringing new clients to the wider Group. It also provides diversification to the Group (including currency) and further visibility across the value chain.

The Acquisition and Placing are expected to be immediately earnings enhancing.

Details of the Placing

The Company has entered into a Placing Agreement with Numis. Under the terms of the Placing Agreement, Numis has placed 12,121,300 new Ordinary Shares Company, at a price of 330 pence per share with new and existing investors, raising gross proceeds of £40.0m before expenses. The Placing has been fully underwritten by Numis in accordance with the terms of the Placing Agreement.

The Placing Shares represent approximately 5.6% of the Company's existing issued share capital and the Placing Price represents a discount of approximately 2.4% to the closing mid-market price of 338.25 pence per share as at 13 February, being the last practicable date prior to this announcement.

Application has been made to the London Stock Exchange for the admission of the Placing Shares to trading on AIM. Admission is expected to take place at 8.00am on 16 February 2017 and dealings in the Placing Shares will commence at that time. The Company's total issued share capital following Admission will consist of 227,885,950 Ordinary Shares with one voting right per share. The above figure of 227,885,950 may be used by shareholders as the denominator for the calculations by which they can determine if they are required to notify their interest in, or a change to their interest in, the Company following Admission.

Your attention is drawn to the detailed terms and conditions of the Placing described in the Appendix to this Announcement (which forms part of this Announcement).

By choosing to participate in the Placing and by making an oral and legally binding offer to acquire Placing Shares, investors will be deemed to have read and understood this Announcement in its entirety (including the Appendix) and to be making such offer on the terms and subject to the conditions in it, and to be providing the representations, warranties and acknowledgements contained in the Appendix.

APPENDIX

TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION ON THE PLACING FOR INVITED PLACEEES ONLY

THIS ANNOUNCEMENT INCLUDES STATEMENTS, ESTIMATES, OPINIONS AND PROJECTIONS WITH RESPECT TO ANTICIPATED FUTURE PERFORMANCE OF THE GROUP ("FORWARD-LOOKING STATEMENTS") WHICH REFLECT VARIOUS ASSUMPTIONS CONCERNING ANTICIPATED RESULTS TAKEN FROM THE GROUP'S CURRENT BUSINESS PLAN OR FROM PUBLIC SOURCES WHICH MAY OR MAY NOT PROVE TO BE CORRECT. THESE FORWARD LOOKING STATEMENTS CAN BE IDENTIFIED BY THE USE OF FORWARD LOOKING TERMINOLOGY, INCLUDING THE TERMS "ANTICIPATES", "TARGET", "BELIEVES", "ESTIMATES", "EXPECTS", "INTENDS", "MAY", "PLANS", "PROJECTS", "SHOULD" OR "WILL", OR, IN EACH CASE, THEIR NEGATIVE OR OTHER VARIATIONS OR COMPARABLE TERMINOLOGY OR BY DISCUSSIONS OF STRATEGY, PLANS, OBJECTIVES, GOALS, FUTURE EVENTS OR INTENTIONS. SUCH FORWARD-LOOKING STATEMENTS REFLECT CURRENT EXPECTATIONS BASED ON THE CURRENT BUSINESS PLAN AND VARIOUS OTHER ASSUMPTIONS AND INVOLVE SIGNIFICANT RISKS AND UNCERTAINTIES AND SHOULD NOT BE READ AS GUARANTEES OF FUTURE PERFORMANCE OR RESULTS AND WILL NOT NECESSARILY BE ACCURATE INDICATIONS OF WHETHER OR NOT SUCH RESULTS WILL BE ACHIEVED. AS A RESULT, PROSPECTIVE INVESTORS SHOULD NOT RELY ON SUCH FORWARD-LOOKING STATEMENTS DUE TO THE INHERENT UNCERTAINTY THEREIN. NO REPRESENTATION OR WARRANTY IS GIVEN AS TO THE COMPLETENESS OR ACCURACY OF THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS ANNOUNCEMENT. FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE OF SUCH STATEMENTS AND, EXCEPT AS REQUIRED BY THE FCA, THE LONDON STOCK EXCHANGE, THE AIM RULES OR APPLICABLE LAW, THE COMPANY UNDERTAKES NO OBLIGATION TO UPDATE OR REVISE PUBLICLY ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE. NO STATEMENT IN THIS ANNOUNCEMENT IS INTENDED TO BE A PROFIT FORECAST AND NO STATEMENT IN THIS ANNOUNCEMENT SHOULD BE INTERPRETED TO MEAN THAT EARNINGS PER SHARE OF THE COMPANY FOR THE CURRENT OR FUTURE FINANCIAL YEARS WOULD NECESSARILY MATCH OR EXCEED THE HISTORICAL PUBLISHED EARNINGS PER SHARE OF THE COMPANY.

THIS ANNOUNCEMENT, INCLUDING THE APPENDIX (TOGETHER THE "ANNOUNCEMENT") AND THE INFORMATION IN IT IS RESTRICTED AND IS NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN OR SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH PUBLICATION, RELEASE OR DISTRIBUTION WOULD BE UNLAWFUL.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT AND THE INFORMATION CONTAINED HEREIN ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT: (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA WHO ARE QUALIFIED INVESTORS AS DEFINED IN SECTION 2(7) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED, ("QUALIFIED INVESTORS") BEING PERSONS FALLING WITHIN THE MEANING OF ARTICLE 2(1)(E) OF THE EU PROSPECTUS DIRECTIVE (WHICH MEANS DIRECTIVE 2003/71/EC AND INCLUDES ANY RELEVANT IMPLEMENTING DIRECTIVE MEASURE IN ANY MEMBER STATE) (THE "PROSPECTUS DIRECTIVE"); AND (B) IN THE UNITED KINGDOM, TO QUALIFIED INVESTORS WHO ARE PERSONS WHO (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(1) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "ORDER"); (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) ("HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC") OF THE ORDER; OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS IN (A) OR (B) TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS").

THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY. THIS ANNOUNCEMENT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY

INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN PLACING SHARES.

In this Appendix, unless the context requires, "**Placee**" means a Relevant Person (including individuals, funds or others) who has been invited to, and who chooses to, participate in the Placing and by whom or on whose behalf a commitment to subscribe for Placing Shares has been given.

No representation or warranty, express or implied, is made or given by or on behalf of the Company or Numis Securities Ltd ("**Numis**"), the Company's nominated adviser, or any of their respective affiliates (within the meaning of Rule 405 under the US Securities Act of 1933, as amended (the "**Securities Act**") ("**Affiliates**") or any of such persons' directors, officers or employees or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this Announcement and no liability whatsoever is accepted by the Company, Numis or any of such persons' Affiliates, directors, officers or employees or any other person for any loss howsoever arising, directly or indirectly, from any use of such information or opinions or otherwise arising in connection therewith.

This Announcement does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for Placing Shares in any jurisdiction in which such offer or solicitation is or may be unlawful. In particular the Placing Shares referred to in this Announcement have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and will be offered or sold only outside of the United States in accordance with Regulation S under the Securities Act.

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada; no prospectus has been lodged with or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of United States, Australia, Canada, Japan or South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the United States, Australia, Canada, Japan or South Africa or any other jurisdiction outside the United Kingdom.

Persons distributing any part of this Announcement must satisfy themselves that it is lawful to do so. Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Announcement should seek appropriate advice before taking any action. Persons into whose possession this Announcement comes are required by the Company and Numis to inform themselves about, and observe, any such restrictions.

1. **DETAILS OF THE PLACING**

- 1.1 Numis has today entered into an agreement with the Company (the "**Placing Agreement**") under which, subject to certain conditions, Numis, as agent for and on behalf of the Company, has agreed to use its reasonable endeavours to procure placees ("**Placees**") for the Placing Shares at the Placing Price or, failing which, to subscribe as principal for the Placing Shares itself.
- 1.2 The Placing Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing Ordinary Shares, including the right to receive dividends and other distributions declared or made after the date of issue of the Placing Shares.

2. **APPLICATIONS FOR ADMISSION TO TRADING**

- 2.1 Application will be made to the London Stock Exchange for admission to trading of the Placing Shares on its AIM market.
- 2.2 It is expected that Admission will become effective at 8.00am on 16 February 2017 ("**Admission**") and that dealings in the Placing Shares will commence at that time.

3. PARTICIPATION IN, AND PRINCIPAL TERMS OF, THE PLACING

- 3.1 Numis is acting as sole bookrunner and as agent for the Company in connection with the Placing, Application and Admission. Numis is authorised and regulated in the United Kingdom by the FCA, and is acting exclusively for the Company and no one else in connection with the matters referred to in this Announcement and will not be responsible to anyone other than the Company for providing the protections afforded to the customers of Numis or for providing advice in relation to the matters described in this Announcement. Participation in the Placing is only available to persons who may lawfully be, and are invited to participate in it by Numis. Numis and its affiliates are each entitled to participate in the Placing as principal.
- 3.2 The placing price will be a fixed price of 330 pence per Placing Share (the "**Placing Price**"). No commissions will be paid to Placees or by the Placees in respect of any Placing Shares.
- 3.3 Each prospective Placee's allocation of Placing Shares will be confirmed to prospective Placees orally by Numis or one of its affiliates, and a contract note will be dispatched as soon as practicable thereafter as evidence of such Placee's allocation and commitment. The terms and conditions of this Appendix will be deemed incorporated into the contract note. That oral confirmation will constitute an irrevocable legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and Numis to subscribe for the number of Placing Shares allocated to it at the Placing Price on the terms and conditions set out in this Appendix and in accordance with the Company's articles of association. An offer to acquire Placing Shares, which has been communicated by a prospective Placee to Numis which has not been withdrawn or revoked prior to publication of this Announcement shall not be capable of withdrawal or revocation immediately following the publication of this Announcement without the consent of Numis.
- 3.4 Each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to Numis (as agent of the Company), to pay it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to subscribe for and the Company has agreed to allot and issue to that Placee. Each Placee's obligation will be owed to the Company and to Numis.
- 3.5 Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be subscribed for pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and Settlement".
- 3.6 All obligations under the Placing will be subject to fulfilment of the conditions referred to below under "*Conditions of the Placing*" and to the Placing not being terminated on the basis referred to below under "*Termination of the Placing Agreement*".
- 3.7 By participating in the Placing, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
- 3.8 To the fullest extent permitted by law and applicable FCA rules, neither (i) Numis, (ii) any of its directors, officers, employees or consultants, or (iii) to the extent not contained with (i) or (ii), any person connected with Numis as defined in FSMA ((i), (ii) and (iii) being together "**affiliates**" and individually an "**affiliate**"), shall have any liability (including to the extent permissible by law, any fiduciary duties) to Placees or to any person other than the Company in respect of the Placing.

4. CONDITIONS OF THE PLACING

- 4.1 Numis' obligations under the Placing Agreement in respect of the Placing Shares are conditional on, amongst other things:
- (a) the warranties in the Placing Agreement being true and accurate and not misleading on and as of the date of the Placing Agreement and again at Admission by reference to the facts and circumstances then subsisting on each such date, save where in the opinion of

Numis (acting in good faith) any untruth, inaccuracy or misleading statement is immaterial in the context of the Placing, the Application or Admission;

- (b) the Company allotting, subject only to Admission, the Placing Shares in accordance with the Placing Agreement;
 - (c) certain publication of announcement obligations (including with respect to this Announcement);
 - (d) the compliance by the Company with all its material obligations, and the satisfaction by the Company of all the conditions which are to be satisfied by it, under the Placing Agreement or under the terms and conditions of the Placing, which are required to be performed or satisfied on or prior to Admission;
 - (e) the obligations of Numis under the Placing Agreement not having been terminated prior to Admission; and
 - (f) Admission occurring by 8:00am on 16 February 2017 (or such later time and date as Numis and the Company may agree not being later than 8:00am on 23 February 2017).
- 4.2 If (i) any condition contained in the Placing Agreement in relation to the Placing Shares is not fulfilled or waived by Numis, by the respective time or date where specified (or such later time or date as the Company and Numis may agree), (ii) any such condition becomes incapable of being fulfilled or (iii) the Placing Agreement is terminated in accordance with its terms, the Placing will not proceed and the Placee's rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by the Placee in respect thereof.
- 4.3 Numis may, at its discretion and upon such terms as it thinks fit, waive compliance by the Company with the whole or any part of any of the Company's obligations in relation to the conditions in the Placing Agreement, save that conditions (b) and (f) above relating to Admission may not be waived. Any such extension or waiver will not affect the Placees' commitments as set out in this Announcement.
- 4.4 Neither Numis nor the Company shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or the date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally, and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of Numis.

5. **TERMINATION OF THE PLACING AGREEMENT**

- 5.1 Numis is entitled, at any time prior to Admission, to terminate the Placing Agreement in respect of the Placing Shares in accordance with the terms of the Placing Agreement by giving notice to the Company in certain circumstances, including a breach of the warranties given to the Numis in the Placing Agreement, which Numis considers to be material in the context of the Placing, Application or Admission, the failure of the Company to comply with its material obligations under the Placing Agreement, a material adverse change in the Group's or Enlarged Group's condition or prospects or the occurrence of a force majeure event which, in the opinion of Numis (acting in good faith), makes it impractical or inadvisable to proceed with the Placing.
- 5.2 By participating in the Placing, Placees agree that the exercise by Numis of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of Numis and that it need not make any reference to Placees and that it nor the Company (or its directors, officers or employees) shall have no liability to Placees whatsoever in connection with any such exercise.

6. **NO PROSPECTUS**

- 6.1 No offering document or prospectus has been or will be submitted to be approved by the FCA in relation to the Placing or the Placing Shares and Placees' commitments will be made solely on the basis of the information contained in this Announcement (including this Appendix) and the Exchange Information (as defined below).
- 6.2 Each Placee, by accepting a participation in the Placing, agrees that the content of this Announcement is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information (other than the Exchange Information), representation, warranty, or statement made by or on behalf of the Company or Numis or any other person and neither Numis nor the Company nor any other person will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

7. **REGISTRATION AND SETTLEMENT**

- 7.1 Settlement of transactions in the Placing Shares (ISIN: GB00BVFCZV34) following Admission will take place within the system administered by Euroclear UK & Ireland Limited ("**CREST**"), subject to certain exceptions. Numis reserves the right to require settlement for, and delivery of, the Placing Shares (or a portion thereof) to Placees in certificated form if, in Numis' opinion, delivery or settlement is not possible or practicable within the CREST system within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in any Placee's jurisdiction.
- 7.2 Each Placee allocated Placing Shares in the Placing will be sent a contract note in accordance with the standing arrangements in place with Numis, stating the number of Placing Shares allocated to it at the Placing Price, the aggregate amount owed by such Placee to Numis and settlement instructions. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the standing CREST or certificated settlement instructions that it has in place with Numis.
- 7.3 The Company will deliver the Placing Shares a CREST account operated by Numis as agent for the Company and Numis will enter its delivery (DEL) instruction into the CREST system. Numis will hold any Placing Shares delivered to this account as nominee for the Placees. The input to CREST by a Placee of a matching or acceptance instruction will then allow delivery of the relevant Placing Shares to that Placee against payment.
- 7.4 It is expected that settlement will take place on 16 February 2017 in accordance with the instructions set out in the contract note.
- 7.5 Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above LIBOR as determined by Numis.
- 7.6 Each Placee agrees that, if it does not comply with these obligations, Numis may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for Numis' account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf.
- 7.7 If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the contract note is copied and delivered immediately to the relevant person within that organisation.

7.8 Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax.

7.9 Placees will not be entitled to receive any fee or commission in connection with the Placing.

8. REPRESENTATIONS AND WARRANTIES

8.1 By participating in the Placing, each Placee (and any person acting on such Placee's behalf) acknowledges, undertakes, represents, warrants and agrees (as the case may be) that:

- (a) it has read and understood the Announcement (including the Appendix) and the Acquisition Announcement in its entirety and its subscription for the Placing Shares is subject to and based on the terms and conditions of the Placing as referred to and included in the Announcement and undertakes not to redistribute or duplicate this Announcement;
- (b) no offering document or prospectus has been prepared in connection with the Placing and that it has not received and will not receive a prospectus or other offering document in connection with the Placing;
- (c) the Ordinary Shares are listed on AIM and are admitted to trading on the London Stock Exchange, and the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of the London Stock Exchange and/or the FCA (collectively "**Exchange Information**"), which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that it is able to obtain or access such information or comparable information concerning any other publicly traded company without undue difficulty;
- (d) (i) it has made its own assessment of the Company, the Placing Shares and the terms and conditions of the Placing and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing and has satisfied itself that the information is still current; (ii) none of Numis, the Company, any of their respective affiliates or any person acting on behalf of any of them has provided, or will provide it, with any material regarding the Placing Shares in addition to this Announcement; and (iii) it has not requested Numis, the Company or any of their respective affiliates or any person acting on behalf of any of them to provide it with any such information;
- (e) the content of this Announcement is exclusively the responsibility of the Company and that none of Numis, its affiliates or any person acting on its or their behalf has or shall have any liability for any information, representation or statement contained in this Announcement or any information previously or concurrently published by or on behalf of the Company and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this Announcement or elsewhere;
- (f) the only information on which it has relied in committing itself to subscribe for the Placing Shares is contained in this Announcement and any Exchange Information and that it has not received or relied on any information given or any representations, warranties or statements, express or implied, made by Numis or the Company or any of their affiliates or any person acting on behalf of any of them and none of Numis, the Company, any of their affiliates or any person acting on behalf of any of them will be liable for its decision to accept an invitation to participate in the Placing based on any information, representation, warranty or statement other than that contained in this Announcement and any Exchange Information;

- (g) it has neither received nor relied on any confidential price sensitive information concerning the Company in accepting this invitation to participate in the Placing and is not purchasing Placing Shares on the basis of material non-public information;
- (h) it has the funds available to pay for the Placing Shares it has agreed to subscribe for and acknowledges, agrees and undertakes that it will pay the total subscription amount in accordance with the terms of this Announcement on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other placees or sold at such price as Numis determines;
- (i) it: (i) is entitled to subscribe for the Placing Shares under the laws of all relevant jurisdictions; (ii) has fully observed such laws; (iii) has the requisite capacity and authority and is entitled to enter into and to perform its obligations as a subscriber for Placing Shares and will honour such obligations; and (iv) has obtained all necessary consents and authorities (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Announcement) to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto and, in particular, if it is a pension fund or investment company it is aware of and acknowledges it is required to comply with all applicable laws and regulations with respect to its subscription for Placing Shares;
- (j) it is not, and any person who it is acting on behalf of is not, and at the time the Placing Shares are subscribed will not be, a resident of, or with an address in, the United States, Australia, Canada, Japan or South Africa, and it acknowledges and agrees that the Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of the United States, Australia, Canada, Japan or South Africa and may not be offered, sold, or acquired, directly or indirectly, within those jurisdictions;
- (k) (i) the Placing Shares have not been and will not be registered under the Securities Act or with any state or other jurisdiction of the United States, nor approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, (ii) it will not offer, sell or deliver, directly or indirectly, any Placing Shares in or into the United States other than pursuant to an effective registration under the Securities Act or in a transaction exempt from, or not subject to, the registration requirements thereunder and in compliance with any applicable securities laws of any state or other jurisdiction of the United States, and (iii) it is outside of the United States, not acting on a non-discretionary basis for the account or benefit of a person located within the United States at the time the undertaking to acquire the Placing Shares is given and is otherwise acquiring the Placing Shares in an "offshore transaction" meeting the requirements of Regulation S under the Securities Act;
- (l) it is a person of a kind described in (i) Article 19(5) (Investment Professionals) and/or 49(2) (high net worth companies etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, and/or an authorised person as defined in section 31 of FSMA; and (ii) section 86(7) of FSMA ("**Qualified Investor**"), being a person falling within Article 2.1(e) of Directive 2003/71/EC as amended (the "**Prospectus Directive**"). For such purposes, it undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;
- (m) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and it acknowledges and agrees that this Announcement has not been approved by Numis in its capacity as an authorised person under section 21 of FSMA and it may not therefore be subject to the controls which would apply if it was made or approved as financial promotion by an authorised person;

- (n) it is aware of and acknowledges that it has complied with and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving, the United Kingdom;
- (o) it will not make any offer to the public of the Placing Shares and has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom or elsewhere in the European Economic Area prior to Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of FSMA or an offer to the public in any other member state of the European Economic Area within the meaning of the Prospectus Directive (which includes any relevant implementing measure in any Member State of the European Economic Area);
- (p) it has not been engaged to subscribe for the Placing Shares on behalf of any other person who is not a Qualified Investor unless the terms on which it is engaged enable it to make decisions concerning the acceptance of offers of transferable securities on the client's behalf without reference to the client as described in section 86(2) of FSMA;
- (q) it is aware of and acknowledges that it is required to comply with its obligations in connection with money laundering under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering Regulations 2007 (the "**Regulations**") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;
- (r) it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993, with all applicable provisions of FSMA, the EU Market Abuse Regulation 596/2014 and the Proceeds of Crime Act 2002 and confirms that it has and will continue to comply with those obligations;
- (s) the allocation, allotment, issue and delivery to it, or the person specified by it for registration as a holder of Placing Shares, will not give rise to a stamp duty or stamp duty reserve tax liability under any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that no instrument under which it subscribes for Placing Shares (whether as principal, agent or nominee) would be subject to stamp duty or the increased rates referred to in those sections and that it, or the person specified by it for registration as a holder of Placing Shares, is not participating in the Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability;
- (t) it, or the person specified by it for registration as a holder of the Placing Shares, will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto), if any, payable on acquisition of any of the Placing Shares or the agreement to subscribe for the Placing Shares and acknowledges and agrees that none of Numis, the Company, any of their respective affiliates or any person acting on behalf of them will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to participate in the Placing, and agrees to indemnify the Company and Numis on an after-tax basis in respect of the same, on the basis that the Placing Shares will be allotted to the CREST stock account of Numis who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions;
- (u) none of Numis, any of its affiliates or any person acting on behalf of any of them has or shall have any liability for any information, representation or statement contained in this Announcement or for any information previously published by or on behalf of the

Company or any other written or oral information made available to or publicly available or filed information or any representation, warranty or undertaking relating to the Company, and will not be liable for its decision to participate in the Placing based on any information, representation, warranty or statement contained in this Announcement or elsewhere, provided that nothing in this paragraph shall exclude any liability of any person for fraud;

- (v) none of Numis, any of its affiliates or any person acting on behalf of any of them, is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that its participation in the Placing is on the basis that it is not and will not be a client of Numis and that Numis has no duties or responsibilities to it for providing the protections afforded to its clients or customers under the rules of the FCA, for providing advice in relation to the Placing, in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement or for the exercise or performance of any of its rights and obligations thereunder, including any rights to waive or vary any conditions or exercise any termination right;
- (w) in order to ensure compliance with the Money Laundering Regulations 2007, Numis (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to Numis or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at Numis' absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form, may be retained at Numis' or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identity Numis (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, Numis and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;
- (x) Numis may, and its affiliates acting as an investor for its or their own account(s) may subscribe for and/or purchase Placing Shares and, in that capacity may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in this Announcement to the Placing Shares being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by, Numis and/or any of their respective affiliates acting as an investor for its or their own account(s). Neither Numis nor the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;
- (y) these terms and conditions and any agreements entered into by it pursuant to these terms and conditions, and all non-contractual or other obligations arising out of or in connection with them, shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company or Numis in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
- (z) the Company and Numis and their respective affiliates and others will rely upon the truth and accuracy of the foregoing agreements, acknowledgements, representations, warranties and undertakings which are given to Numis, on its own behalf and on behalf of the Company, and are irrevocable;

- (aa) it irrevocably appoints any duly authorised officer of Numis as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares for which it agrees to subscribe or purchase upon the terms of this Announcement;
 - (bb) it will indemnify on an after tax basis and hold the Company, Numis and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, undertakings, agreements and acknowledgements in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing;
 - (cc) it has knowledge and experience in financial, business and international investment matters and is required to evaluate the merits and risks of subscribing for the Placing Shares; (ii) it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain a complete loss in connection with the Placing; and (iii) it has relied upon its own examination and due diligence of the Company and its associates taken as a whole, and the terms of the Placing, including the merits and risks involved and has satisfied itself concerning the relevant tax, legal, currency and other economic consideration relevant to its subscription for Placing Shares; and
 - (dd) its commitment to subscribe for Placing Shares on the terms set out herein and in the contract note will continue notwithstanding any amendment that may in future be made to the terms of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's conduct of the Placing.
- 8.2 The representations, warranties, acknowledgements and undertakings contained in this Appendix are given to Numis for itself and on behalf of the Company and are irrevocable.
- 8.3 The agreement to settle a Placee's subscription (and/or the subscription of a person for whom such Placee is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to a subscription by it and/or such person direct from the Company for the Placing Shares in question. Such agreement assumes that the Placing Shares are not being subscribed for in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other subsequent dealing in the Placing Shares, UK stamp duty or stamp duty reserve tax may be payable, for which neither the Company nor Numis will be responsible, and the Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such UK stamp duty or stamp duty reserve tax undertakes to pay such UK stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company and Numis in the event that any of the Company and/or Numis has incurred any such liability to UK stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and notify Numis accordingly.
- 8.4 In addition, Placees should note that they will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the subscription by them of any Placing Shares or the agreement by them to subscribe for any Placing Shares.
- 8.5 Each Placee, and any person acting on behalf of the Placee, acknowledges and agrees that Numis does not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement.
- 8.6 Each Placee and any person acting on behalf of each Placee, acknowledges and agrees that Numis or any of its affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares.

- 8.7 When a Placee or person acting on behalf of the Placee is dealing with Numis, any money held in an account with Numis on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under FSMA. The Placee acknowledges and agrees that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from Numis' money in accordance with the client money rules and will be used by Numis in the course of its own business; and the Placee will rank only as a general creditor of Numis (as applicable).
- 8.8 Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.
- 8.9 Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.
- 8.10 All times and dates in this Announcement may be subject to amendment. Numis shall notify the Placees and any person acting on behalf of a Placee of any changes.

DEFINITIONS

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

"Acquisition" – the acquisition of LUZ, Inc. by RWS US Holding Co Inc., a subsidiary of the Company

"Acquisition Announcement" - the announcement issued by the Company on 17 February 2017 in connection with the Acquisition

"Admission" - admission of the Placing Shares to trading on the London Stock Exchange's AIM market

"AIM Rules" - the AIM Rules for Companies published by the London Stock Exchange

"Announcement" - this announcement (including the Appendix to this announcement)

"Company" – RWS Holdings plc

"CREST" - the relevant system (as defined in the Uncertificated Securities Regulations 2001) for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited

"Enlarged Group" - the Group as enlarged by the Acquisition

"FCA" - the Financial Conduct Authority

"FSMA" - the Financial Services and Markets Act of 2000 (as amended)

"Group" - the Company and its subsidiary undertakings prior to completion of the Acquisition

"London Stock Exchange" - London Stock Exchange plc

"Numis" - Numis Securities Limited

"Ordinary Shares" - ordinary shares of 1 pence each in the capital of the Company

"Placing" - the conditional placing of the Placing Shares at the Placing Price by Numis as agent for and on behalf of the Company pursuant to the terms of the Placing Agreement

"Placing Agreement" - the agreement dated 14 February 2017 between the Company and Numis relating to the Placing

"Placing Price" - 330 pence per Placing Share

"Placing Shares" - 12,121,300 new Ordinary Shares to be issued in connection with the Placing

"Prospectus Directive" - the Directive of the European Parliament and of the Council of the European Union 2003/71/EC, as amended

"Securities Act" - the United States Securities Act of 1933, as amended

"UK" or "United Kingdom" - the United Kingdom of Great Britain and Northern Ireland

"United States" or "US" - United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction