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**THIS IS AN ANNOUNCEMENT FALLING UNDER RULE 2.4 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CODE AND THERE CAN BE NO CERTAINTY THAT ANY FIRM OFFER WILL BE MADE**

**FOR IMMEDIATE RELEASE**

4 April 2022

**Statement re possible offer for CareTech Holdings PLC**

DBAY Advisors Ltd ("DBAY") notes the announcement released on 1 April 2022 confirming that CareTech Holdings PLC ("CareTech") is in discussions with a consortium formed by Sheikh Holdings Group (Investments) Limited ("Sheikh Holdings") in relation to a possible offer at 725 pence per share, which the independent directors of CareTech would be minded to recommend should an offer be made.

DBAY is pleased to announce that on 1 April 2022 it submitted an indicative proposal to CareTech regarding a possible all cash offer for CareTech of 750 pence per CareTech share (the "Possible Offer").

The Possible Offer represents a premium of approximately:

- 28% to the CareTech closing share price on 4 March 2022 (being the last business day prior to the announcement of a possible offer for CareTech by Sheikh Holdings);
- 30% to the volume weighted average price of CareTech shares during the one month period to 4 March 2022;
- 32% to the volume weighted average price of CareTech shares during the three month period to 4 March 2022

The Possible Offer includes a partial non-voting share alternative to allow shareholders to roll-over some of their investment and retain an interest in CareTech's future should they choose to do so (the "Alternative Offer"). The Alternative Offer is limited to 30% of the issued capital.

DBAY looks forward to engaging constructively with CareTech and its management team and working towards the announcement of a recommended transaction.

DBAY confirms that funds managed and/or advised by DBAY or affiliates of DBAY have acquired 2,028,084 CareTech shares in total equivalent to approximately 1.8% of CareTech's issued share capital. The highest price paid was 710 pence per share. The shares were acquired in the open market. In accordance with Rule 6 of the Code, any firm offer for CareTech announced under Rule 2.7 of the Code will need to be at or above this price.

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**Important Takeover Code notes**

This announcement does not amount to a firm intention to make an offer and accordingly there can be no certainty that an offer will be made.

DBAY reserves the right to make an offer for CareTech on less favourable terms than the Possible Offer: (i) with the agreement or recommendation of the CareTech Board; (ii) if a third party announces a possible offer or a firm intention to make an offer for CareTech which, at that date, is of a value less than the value implied by the Possible Offer; or (iii) following the announcement by CareTech of a Rule 9 Waiver pursuant to the Code. DBAY reserves the right to introduce other forms of consideration and/or vary the mix or composition of consideration of any offer. DBAY reserves the right to adjust the terms of the Possible Offer to take account of the value of any dividend or other distribution which is announced, declared, made or paid by CareTech after the date of this announcement.

In accordance with Rule 2.6(a) of the Code, DBAY is required, by not later than 5.00 p.m. on 2 May 2022, to either announce a firm intention to make an offer for CareTech in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline can be extended with the consent of the Panel in accordance with Rule 2.6(c) of the Code.

### **Disclosure requirements of the Code**

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% 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. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

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

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](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.

### **Rule 26.1 disclosure**

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available (subject to certain restrictions relating to persons resident in restricted jurisdictions) at [www.dbayadvisors.com](http://www.dbayadvisors.com) by no later than 12 noon (London time) on the business day following the date of this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

### **Additional Information**

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to this announcement or otherwise. Any offer, if made, will be made solely by certain offer documentation which will contain the full terms and conditions of any offer, including details of how it may be accepted. The distribution of this announcement in jurisdictions other than the United Kingdom and the availability of any offer to shareholders of CareTech who are not resident in the United Kingdom may be affected by the laws of relevant jurisdictions. Therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom or shareholders of CareTech who are not resident in the United Kingdom will need to inform themselves about, and observe any applicable requirements.