

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek your own financial or professional advice immediately from your stockbroker, bank, solicitor, accountant, fund manager or other appropriate independent financial adviser, duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom, or if not, from another appropriately authorised independent financial adviser.

This document, which comprises a prospectus (the “Prospectus”) relating to the New Future Shares has been prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (the “FCA”) made under section 73A of the Financial Services and Markets Act 2000 (the “FSMA”), has been approved by the FCA in accordance with section 85 of the FSMA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

The Prospectus has been approved by the FCA (as competent authority under Regulation (EU) 2017/1129) as a prospectus prepared in accordance with the Prospectus Regulation Rules made under section 73A of the FSMA. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129, and such approval should not be considered as an endorsement of the issuer that is, or the quality of the securities that are, the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Future Shares. The Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129.

**This document should be read as a whole, including any information incorporated by reference. In particular, investors are advised to examine all the risks that might be relevant in connection with the value of an investment in Future Shares. Investors should read the entire document and, in particular, Part 1 (Risk Factors) of this document for a discussion of certain factors that should be considered in connection with an investment in the Future Shares.**



Connectors. Creators. Experience Makers.

## FUTURE PLC

(incorporated under the Companies Act 1985 and registered in England and Wales with registered number 03757874)

**Proposed issue of up to 22,941,199 New Future Shares in connection with the recommended combination of Future and GoCo Group and application for admission of such New Future Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange’s Main Market for listed securities**

*Sponsor and Joint Financial Adviser*  
**Numis Securities Limited**

*Joint Financial Adviser*  
**Goldman Sachs International**

The Existing Future Shares are listed on the premium listing segment of the Official List maintained by the FCA (the “Official List”) and traded on the London Stock Exchange’s Main Market for listed securities. Applications will be made to the FCA for the New Future Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New Future Shares to be admitted to trading on its Main Market for listed securities.

It is expected that Admission will become effective, and that dealings on the London Stock Exchange in the New Future Shares will commence, at 8.00 a.m. on the first Business Day following the Scheme Effective Date. No application will be made for the New Future Shares to be admitted to listing or dealt with on any other exchange. The New Future Shares will, when issued, rank *pari passu* in all respects with the Existing Future Shares.

This Prospectus is not intended to, and shall not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the offer or otherwise. The Combination will be made solely through the Scheme Document, which will contain the full terms and conditions of the Combination, including details of how the Combination may be accepted. Any acceptance or other response to the Combination should be made only on the basis of the information in the Scheme Document.

With regard to Admission, no person has been authorised to give any information or make any representations other than those contained in this Prospectus and the documents (or parts thereof) incorporated by reference into this document and, if given or made, such information or representation must not be relied upon as having been so authorised by the Company, the Directors or the Sponsor. In particular, the contents of the Company's website, other than those parts incorporated by reference (see Part 15 (*Information Incorporated by Reference*) of this document), do not form part of this document and investors should not rely on them.

Without prejudice to any legal or regulatory obligation on the Company to publish a supplementary prospectus, neither the delivery of this document nor Admission, under any circumstances, create any implication that there has been no change in the business or affairs of the Future Group since the date of this document or that the information in it is correct as of any time after the date of this document. The Company will comply with its obligation to publish a supplementary prospectus containing further updated information if so required by law or by any regulatory authority but assumes no further obligation to publish additional information.

Numis Securities Limited ("Numis Securities") is authorised and regulated by the FCA in the United Kingdom. Numis Securities is acting exclusively for Future and no one else in connection with this document and the Combination and will not regard any other person (whether or not a recipient of this document) as a client in relation to the matters described in this document. Numis Securities will not be responsible to anyone other than Future for providing the protections afforded to the clients of Numis Securities or for providing advice in relation to the matters described in this document. Neither Numis Securities nor any of its subsidiaries 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 Numis Securities in connection with this document, the Combination, any statement contained in this document or otherwise.

Goldman Sachs International ("Goldman Sachs") is authorised in the United Kingdom by the PRA and regulated by the PRA and the FCA in the United Kingdom. Goldman Sachs is acting exclusively for Future and no one else in connection with the Combination and will not regard any other person (whether or not a recipient of this document) as a client in relation to the matters described in this document. Goldman Sachs will not be responsible to anyone other than Future for providing the protections afforded to its clients or for providing advice in relation to the matters described in this document. Neither Goldman Sachs nor any of its subsidiaries 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 Goldman Sachs in connection with this document, the Combination, any statement contained in this document or otherwise.

Apart from the responsibilities and liabilities, if any, which may be imposed on Numis Securities or Goldman Sachs by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Numis Securities nor Goldman Sachs, nor any of their respective 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 Numis Securities or Goldman Sachs for, or makes any representation or warranty, express or implied, as to the contents of this document or for any other statement made or purported to be made by it, or on its behalf, in connection with Future, the Future Group, the Combined Group or the Combination or any other matters referred to in this document and nothing in this document will be relied upon as a promise or representation in this respect, whether or not to the past or future. Numis Securities and Goldman Sachs and each of their respective subsidiaries, branches and affiliates accordingly disclaim all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this document or any such statement. Any reproduction or distribution of this document, in whole or in part, and any disclosure of its contents or use of any information contained in this document for any purpose other than considering the terms of the Combination is prohibited.

Investors acknowledge that (a) they have not relied on Numis Securities, Goldman Sachs or any person affiliated with them in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision, and (b) they have relied only on the information contained in this Prospectus and the documents (or parts thereof) incorporated into this document by reference. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been so authorised.

Persons who come into possession of this document should inform themselves about and observe any applicable restrictions and legal, exchange control or regulatory requirements, and pay any issue, transfer or

other taxes due, in relation to the distribution of this document and the Combination. Any failure to comply with such restrictions or requirements, and pay any issue, transfer or other taxes due, may constitute a violation of the securities laws of any such jurisdiction.

**NEITHER THE CONTENTS OF THIS DOCUMENT NOR ANY SUBSEQUENT COMMUNICATION FROM THE COMPANY, THE FUTURE DIRECTORS, THE PROPOSED FUTURE DIRECTOR, NUMIS SECURITIES, GOLDMAN SACHS OR ANY OTHER PERSON INVOLVED IN THE COMBINATION OR ANY OF THEIR RESPECTIVE AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS ARE TO BE CONSTRUED AS LEGAL, FINANCIAL OR TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT HIS, HER OR ITS OWN SOLICITOR, INDEPENDENT FINANCIAL ADVISER OR TAX ADVISER FOR LEGAL, FINANCIAL OR TAX ADVICE.**

**NEITHER THE COMPANY, NUMIS SECURITIES, GOLDMAN SACHS NOR ANY OF THEIR RESPECTIVE REPRESENTATIVES IS MAKING ANY REPRESENTATION TO ANY PROSPECTIVE INVESTOR OF THE NEW FUTURE SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE NEW FUTURE SHARES BY SUCH PROSPECTIVE INVESTOR UNDER THE LAWS APPLICABLE TO SUCH PROSPECTIVE INVESTOR.**

**THIS PROSPECTUS DOES NOT CONSTITUTE OR FORM PART OF ANY OFFER OR INVITATION TO SELL OR ISSUE, OR ANY SOLICITATION OF ANY OFFER TO PURCHASE OR SUBSCRIBE FOR, ANY SECURITIES BY ANY PERSON IN ANY CIRCUMSTANCES IN WHICH SUCH OFFER OR SOLICITATION IS UNLAWFUL.**

#### **Notice to overseas shareholders**

The release, publication or distribution of this Prospectus and the issue of the New Future Shares pursuant to the Combination in certain jurisdictions may be restricted by law. No action has been or will be taken to permit the possession, issue or distribution of this Prospectus in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, this Prospectus may not be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such requirements by any person. Unless an exemption under relevant securities laws is available, the Combination is not being, and will not be, made available, directly or indirectly, in or into or by the use of the mails of, or by any other means or instrumentality of interstate or foreign commerce of, or by any facility of a national state or other securities exchange of any Restricted Jurisdiction, and no person may vote in respect of the Combination by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.

Accordingly, copies of this Prospectus and all documents relating to the Combination are not being, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction and persons receiving this document (including, without limitation, agents, nominees, custodians and trustees) must not distribute, send or mail it in, into or from such jurisdiction. Any person (including, without limitation, any agent, nominee, custodian or trustee) who has a contractual or legal obligation, or may otherwise intend, to forward this Prospectus and/or any other related document to a jurisdiction outside the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of such jurisdiction.

The availability of the New Future Shares under the Combination to GoCo Group Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements.

Further details in relation to GoCo Group Shareholders in overseas jurisdictions are contained in the Scheme Document.

#### **Notice relating to the US holders of GoCo Group Shares**

The New Future Shares are expected to be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. GoCo Group Shareholders (whether or not US Persons) who are or will be affiliates (within the meaning of the US Securities Act) of Future or GoCo Group prior to, or of Future after, the Scheme Effective Date will be subject to certain US transfer restrictions relating to the New Future Shares received pursuant to the Scheme (as described below).

The New Future Shares have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Future Shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the United States absent registration under the US Securities Act or an exemption therefrom.

The New Future Shares generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities under the Scheme (other than “affiliates” as described in the paragraph below) may resell them without restriction under the US Securities Act.

Under US securities laws, persons who are or will be deemed to be affiliates (as defined under the US Securities Act) of Future or GoCo Group prior to, or of Future after, the Scheme Effective Date may not resell the New Future Shares received under the Scheme without registration under the US Securities Act, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Whether a person is an affiliate of a company for such purposes depends upon the circumstances, but affiliates of a company can include certain officers and directors and significant shareholders. GoCo Group Shareholders who believe they may be affiliates for the purposes of the US Securities Act should consult their own legal advisers prior to any resale of New Future Shares received under the Scheme.

For the purpose of qualifying for the exemption provided by section 3(a)(10) of the US Securities Act, GoCo Group will advise the Court that its sanctioning of the Scheme will be relied on by Future as an approval of the Scheme following a hearing on its fairness to GoCo Group Shareholders, at which Court hearing all GoCo Group Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification will be given to all such holders.

None of the securities referred to in this Prospectus have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the US or any other US regulatory authority, nor have such authorities passed upon or determined the fairness or merits of such securities or upon the adequacy or accuracy of the information contained in this Prospectus. Any representation to the contrary is a criminal offence in the US.

The Combination may, in the circumstances provided for in the Co-operation Agreement, be implemented by way of a takeover offer under English law. If so, any securities to be issued under the Combination may be registered under the US Securities Act or issued in reliance upon an exemption thereunder, if available. If the Combination is implemented by way of a takeover offer, it will be done in compliance with the applicable rules under the US Exchange Act, including applicable tender offer rules and any applicable exemptions provided thereunder.

The Combination is to be implemented by a scheme of arrangement provided for under English company law. The Combination relates to the shares of an English company and is subject to UK procedural and disclosure requirements that are different from certain of those of the US. Any financial statements or other financial information included in this document may have been prepared in accordance with non-US accounting standards that may not be comparable to the financial statements of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US. It may be difficult for US holders of shares to enforce their rights and any claims they may have arising under the US federal securities laws in connection with the Combination, since Future and GoCo Group are located in countries other than the US, and some or all of their officers and directors may be residents of countries other than the US. US holders of shares in Future or GoCo Group may not be able to sue Future, GoCo Group or their respective officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel Future, GoCo Group and their respective affiliates to subject themselves to the jurisdiction or judgment of a US court.

GoCo Group Shareholders should be aware that Future may purchase or arrange to purchase GoCo Group Shares otherwise than under any takeover offer or scheme of arrangement related to the Combination, such as in open market or privately negotiated purchases outside the US that comply with applicable law.

**Each US holder of GoCo Group Shares is urged to consult his, her or its independent professional adviser immediately regarding the tax consequences of the Combination and the holding of New Future Shares.**

## CONTENTS

SUMMARY .....	5
PART 1—Risk Factors .....	12
PART 2—Presentation of Financial and Other Information .....	24
PART 3—Directors, Company Secretary and Advisers .....	28
PART 4—Expected Timetable of Principal Events .....	29
PART 5—Indicative Combination Statistics .....	30
PART 6—Information on the Combination .....	31
PART 7—Information on the Future Group .....	45
PART 8—Information on the GoCo Group of companies .....	48
PART 9—Capitalisation and Indebtedness .....	52
PART 10—Historical Financial Information of the Future Group .....	53
PART 11—Historical Financial Information of the GoCo Group of companies .....	54
PART 12—Unaudited Pro Forma Financial Information of the Combined Group .....	56
PART 13—Taxation .....	63
PART 14—Additional Information .....	65
PART 15—Information Incorporated by Reference .....	75
PART 16—Definitions .....	76

## SUMMARY

*Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A-D (A.1–D.2). This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.*

*Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.*

## SECTION A—INTRODUCTION AND WARNINGS

### **A.1.1 Name and international securities identifier number (“ISIN”) of the securities**

The Future Shares are registered with ISIN number GB00BYZN9041, SEDOL number BYZN904 and trade under the symbol “FUTR”.

### **A.1.2 Identity and contact details of the issuer, including its Legal Entity Identifier (“LEI”)**

The issuer is Future plc, a public limited company incorporated in England and Wales with registered number 03757874 and legal entity identifier (“LEI”) number 213800K2581YRLEXV353. The Company's registered office is Quay House, The Ambury, Bath BA1 1UA. and its telephone number is +44 (0)1225 442244. The Company's principal places of business are (i) Quay House, The Ambury, Bath BA1 1UA, United Kingdom, (ii) 1-10 Praed Mews, Paddington, London W2 1QY, United Kingdom, 161 Marsh Wall, London E14 9AP, United Kingdom, (iii) Pinehurst 2, Pinehurst Road, Farnborough Business Park, Farnborough, Hants GU14 7BF, United Kingdom, (iv) 15th Floor, 11 W 42nd Street, New York NY 10036, USA, Suite 600, 555 11th St. NW, Washington D.C. 20004, USA and (v) Suite 3, Level 10, 100 Walker St, North Sydney NSW 2060, Australia.

### **A.1.3 Identity and contact details of the competent authority approving the prospectus**

This Prospectus has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129, with its head office at 12 Endeavour Square, London, E20 1JN, and telephone number: +44 (0)20 7066 1000, in accordance with Regulation (EU) 2017/1129. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129, and such approval should not be considered as an endorsement of the issuer that is, or of the quality of the securities that are, the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Future Shares. The Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129.

### **A.1.4 Date of approval of the prospectus**

This Prospectus was approved on 14 December 2020.

### **A.1.5 Warning**

This summary has been prepared in accordance with Article 7 of Regulation (EU) 2017/1129 and should be read as an introduction to this Prospectus.

Any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor. The investor could lose all or part of their invested capital in the Future Shares. Where a claim relating to the information contained in the prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the prospectus before the legal proceedings are initiated.

Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.

## SECTION B—KEY INFORMATION ON THE ISSUER

### B.1 Who is the issuer of the securities?

#### B.1.1 Domicile, legal form, LEI, jurisdiction of incorporation and country of operation

Future is a public limited company incorporated in England and Wales with registered number 03757874 and LEI number 213800K2581YRLEXV35. Its registered office is in England and Wales. Future operates under the Companies Act 2006.

#### B.1.2 Principal activities

Future is a leading global platform for specialist media, enabled by technology with scalable diversified revenue streams, underpinned by specialist brands and leading content. Its core purpose is to help people to do the things they want by sharing its knowledge and expertise. As a consequence, Future has become a global leader in helping to drive “intent to purchase”.

The core parts of the Future strategy are to develop new products and verticals which each drive diversified revenue growth. Products or “spokes in the wheels” help and inform the Future Group’s audiences and are the core diversified revenue streams of the Future business. The main monetisable media products today are affiliate ecommerce transactions, digital advertising, lead generation, content subscriptions and events.

The GoCo Group of companies operates one of the leading price comparison websites in the UK, benefiting from a strong brand and consumer proposition, in addition to being a leader in the fast-growing automated switching segment, which fits within Future’s strategy.

#### B.1.3 Major shareholders

In so far as is known by Future, the following persons (other than the Future Directors) had at the Last Practicable Date or will, on Admission, have an interest in the Company’s voting rights which is notifiable under the Disclosure Guidance and Transparency Rules:

Name	Number of Future Shares as notified to Future as at the Last Practicable Date	Percentage of issued share capital as at the Last Practicable Date	Number of Future Shares as at Admission <sup>(1)</sup>	Percentage of issued share capital as at Admission
Aberdeen Standard Investments	9,853,886	10.05%	10,255,322	8.48%
Jupiter Asset Management	7,079,648	7.22%	7,373,038	6.10%
JPMorgan Asset Management	6,918,973	7.06%	7,401,909	6.12%
Sir Peter Wood	449,000	0.46%	7,089,584	5.86%
Columbia Threadneedle Investments	5,853,323	5.97%	6,449,446	5.33%
BlackRock	5,346,327	5.45%	6,059,406	5.01%
Slater Investments	4,764,260	4.86%	5,104,407	4.22%
Invesco	4,557,167	4.65%	4,557,167	3.77%
AXA Framlington Investment Managers	4,239,501	4.33%	4,547,780	3.76%
Vanguard Group	3,984,532	4.07%	4,526,817	3.74%
NBIM	3,602,825	3.68%	4,224,249	3.49%
Canaccord Genuity Wealth Management (Institutional)	3,100,000	3.16%	3,918,950	3.24%
Aviva Investors	2,937,583	3.00%	3,257,775	2.69%

Notes:

(1) Figures are calculated assuming that (i) interests of the major shareholders referred to above as at close of business on the Last Practicable Date do not change and no other Future Shares are issued until the Combination becomes effective and (ii) the maximum number of New Future Shares are issued in connection with the Combination.

The Future Shares owned by the major shareholders above rank *pari passu* with all other Future Shares in all respects.

#### B.1.4 Key managing directors

The Future Group’s Chief Executive Officer is Zillah Byng-Thorne and its Chief Financial Officer is Rachel Addison.

### B.1.5 Identity of the statutory auditors

The auditors of Future for the period covered by the historical financial information set out in this Prospectus are PricewaterhouseCoopers LLP. PwC is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales, and PwC's registered address is at 1 Embankment Place, London, WC2N 6RH.

### B.2 What is the key financial information regarding the issuer?

#### Selected financial information of Future

The tables below set out Future's summary financial information for the periods indicated, as reported in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). The audited consolidated financial information for Future as at and for the year ended 30 September 2020 has been extracted without material adjustment from Future Annual Report 2020.

#### Consolidated income statement

	Year ended 30 September 2020
	(£m, audited)
Revenue . . . . .	339.6
Adjusted operating profit <sup>(1)</sup> . . . . .	93.4
Share-based payments (including social security costs) . . . . .	(5.5)
Amortisation of acquired intangibles . . . . .	(21.6)
Exceptional items . . . . .	(15.6)
<b>Operating profit</b> . . . . .	<b>50.7</b>
Net finance income . . . . .	2.8
Other expense . . . . .	(1.5)
Profit before tax . . . . .	52.0
Tax charge . . . . .	(7.7)
<b>Profit for the year</b> . . . . .	<b>44.3</b>

Notes:

(1) Adjusted operating profit represents earnings before share-based payments (relating to equity settled awards with vesting periods longer than 12 months) and related social security costs, interest, tax, amortisation of acquired intangible assets, fair value movements on contingent consideration (and unwinding of associated discount) and currency option, exceptional items and any related tax effects.

#### Consolidated balance sheet

	As at 30 September 2020
	(£m, audited)
<i>Assets</i>	
Total non-current assets . . . . .	515.5
Total current assets . . . . .	95.7
<b>Total assets</b> . . . . .	<b>611.2</b>
<i>Equity and liabilities</i>	
<b>Total equity</b> . . . . .	<b>381.3</b>
Total non-current liabilities . . . . .	99.9
Total current liabilities . . . . .	130.0
<b>Total liabilities</b> . . . . .	<b>229.9</b>
<b>Total equity and liabilities</b> . . . . .	<b>611.2</b>

## Summary consolidated cash flow statement

	As at 30 September 2020
	(£m, audited)
Net cash generated from operating activities .....	81.4
Net cash used in investing activities .....	(79.8)
Net cash generated from financing activities .....	<u>12.1</u>
<b>Net increase in cash and cash equivalents .....</b>	<b><u>13.7</u></b>
Cash and cash equivalents at beginning of year .....	6.6
Exchange adjustments .....	(1.0)
<b>Cash and cash equivalents at end of year .....</b>	<b><u>19.3</u></b>

### Selected financial information of GoCo Group

The tables below set out GoCo Group's summary financial information for the periods indicated, as reported in accordance with IFRS. The audited consolidated financial information for GoCo Group as at and for the year ended 31 December 2019 has been extracted without material adjustment from GoCo Group Annual Report and Accounts 2019, and the unaudited interim consolidated financial information for the six months ended 30 June 2020 has been extracted without material adjustment from GoCo Group Interim Results 2020.

### Consolidated income statement

	Six months ended 30 June 2020	Year ended 31 December 2019
	(£m, unaudited)	(£m, audited)
Revenue .....	82.8	152.4
Adjusted operating profit <sup>(1)</sup> .....	11.1	26.5
Amortisation of acquired intangibles .....	(2.0)	(3.2)
Integration, restructuring and other corporate costs .....	(0.9)	(2.3)
Transaction costs .....	—	(0.6)
Foundation Award share-based payment charges .....	—	(0.2)
Reassessment of deferred contingent consideration .....	(0.5)	0.1
Operating profit .....	7.7	20.3
Net finance costs .....	(1.6)	(4.1)
Share of loss of associate .....	—	<u>(0.4)</u>
Profit before tax .....	6.1	15.8
Tax charge .....	<u>(1.3)</u>	<u>(3.1)</u>
Profit for the period/year .....	<u>4.8</u>	<u>12.7</u>

Notes:

(1) Adjusted operating profit represents operating profit, after adding back amortisation of acquired intangibles, transaction costs, other exceptional corporate costs, fair value changes in deferred contingent consideration and Foundation Award share-based payment charges. See above for a reconciliation to the nearest IFRS line item.

### Consolidated balance sheet

	As at 30 June 2020 (£m, unaudited)	As at 31 December 2019 (£m, audited)
<i>Assets</i>		
Total non-current assets	75.3	76.1
Total current assets	43.8	36.5
<b>Total assets</b>	<b>119.1</b>	<b>112.6</b>
<i>Equity and liabilities</i>		
<b>Total equity</b>	<b>(2.8)</b>	<b>(6.4)</b>
Total non-current liabilities	86.7	87.7
Total current liabilities	35.2	31.3
<b>Total liabilities</b>	<b>121.9</b>	<b>119.0</b>
<b>Total equity and liabilities</b>	<b>119.1</b>	<b>112.6</b>

### Summary consolidated cash flow statement

	Six months ended 30 June 2020 (£m, unaudited)	Year ended 31 December 2019 (£m, audited)
Net cash generated from operating activities	10.6	21.9
Net cash used in from investing activities	(7.0)	(16.0)
Net cash used in financing activities	(3.5)	(6.4)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>0.1</b>	<b>(0.5)</b>
Cash and cash equivalents at beginning of year	11.4	11.9
<b>Cash and cash equivalents at end of year</b>	<b>11.5</b>	<b>11.4</b>

### Pro forma financial information

The unaudited pro forma financial information set out below has been prepared on the basis set out in the notes in section B of Part 12 (*Unaudited Pro Forma Financial Information of the Combined Group*) of this document to illustrate (i) the effect of the proposed Combination on the statement of net assets of the Future Group as if it had occurred on 30 September 2020, and (ii) the effect of the acquisition of TI Media and the Combination on the income statement of the Future Group for the financial year ended 30 September 2020 as if they had both taken place at the beginning of that financial year. In respect of the Combination, the unaudited pro forma income statement and unaudited pro forma statement of net assets include the financial results of GoCo Group as at and for the year ended 31 December 2019. In respect of the acquisition of TI Media, the unaudited pro forma income statement includes the financial results of TI Media for the pre-acquisition period from 1 October 2019 to 20 April 2020.

For the year ended 30 September 2020, on a pro forma basis, revenue would have been £589.1m, operating profit would have been £66.5m and as at 30 September 2020, pro forma net assets would have been £790.6m.

### B.3 What are the key risks that are specific to the issuer?

Failure by the GoCo Group of companies, and the Combined Group, following Completion, to continue to attract a sufficient level of traffic to its websites at a commercially reasonable cost could have a material adverse effect on the business and the Combined Group's financial results.

The Future Group's and, following Completion, the Combined Group's business depends on their ability to attract, motivate and retain their senior management and skilled personnel.

Unforeseen or rapid changes to search engines' algorithms or terms of service could cause the Future Group's and following Completion, the Combined Group's websites to be excluded from or ranked lower in organic search results.

The environment in which the GoCo Group of companies operates and, following Completion, the Combined Group will operate, is highly competitive.

The Future Group may experience difficulties in integrating the management and operation of the GoCo Group of companies with the existing business carried on by the Future Group and following Completion, the Combined Group may not realise, or it may take the Combined Group longer than expected to realise certain or all of the anticipated benefits of the Combination and unforeseen difficulties may arise.

GoCo Group and certain of its third-party service providers are, and following Completion, the Combined Group will be, subject to regulation by various governmental authorities and other public authorities.

Negative publicity or failure to sustain and strengthen the status of the Future Group's brands, and following Completion, the Combined Group's brands may affect the Combined Group's ability to retain and attract customers.

The Future Group is exposed to any deterioration in trading in the GoCo Group of companies' business between the date of this document and Completion.

Completion is subject to conditions which may not be satisfied.

Synergy benefits from the Combination may fail to materialise or be materially lower than have been estimated.

## **SECTION C—KEY INFORMATION ON THE SECURITIES**

### **C.1 What are the main features of the securities?**

#### **C.1.1 Type, class and ISIN**

When admitted to trading, the New Future Shares will be registered with ISIN number GB00BYZN9041, SEDOL number BYZN904 and trade under the symbol “FUTR”.

#### **C.1.2 Currency, denomination, par value, number of securities issued and duration**

As at 10 December 2020 (being the Last Practicable Date), the issued share capital of Future is £14,702,265.00, comprising 98,015,100 Future Shares of 15 pence each, (all of which were fully paid or credited as fully paid). Immediately following Completion, the issued share capital of Future is expected to comprise up to 120,956,299 Future Shares of 15 pence each (all of which will be fully paid or credited as fully paid).

#### **C.1.3 Rights attaching to the Future Shares**

The rights attaching to the Future Shares will be uniform in all respects and they will form a single class for all purposes, including with respect to voting and for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of Future.

On a show of hands every holder of Future Shares who is present in person shall have one vote and on a poll every Future Shareholder present in person or by proxy shall have one vote per Future Share.

Except as provided by the rights and restrictions attached to any class of shares, every holder of Future Shares will under general law be entitled to participate in any surplus assets in a winding up in proportion to their shareholdings.

#### **C.1.4 Rank of securities in the issuer's capital structure in the event of insolvency**

The Future Shares do not carry any rights as respects to capital to participate in a distribution (including on a winding-up) other than those that exist as a matter of law.

#### **C.1.5 Restrictions on transfer**

There are no restrictions on the free transferability of the Future Shares.

#### **C.1.6 Dividend or pay-out policy**

The level of any dividend paid in respect of the Future Shares is within the discretion of the Future Board and is subject to a number of factors, including the business and financial condition or, earnings and cash flow of, and other factors affecting, the Future Group (and, following Completion, the Combined Group), as well as the availability of funds from which dividends can legally be paid.

### **C.2 Where will the securities be traded?**

The Existing Future Shares are currently admitted to the premium listing segment of the Official List and admitted to trading on the London Stock Exchange's Main Market for listed securities. Applications will be made to the FCA for the New Future Shares to be admitted to the premium listing segment of the Official List of the FCA and to the London Stock Exchange for the New Future Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities.

### **C.3 What are the key risks that are specific to the securities?**

The price of the New Future Shares is subject to significant fluctuations due to the volatility of the stock market in general and a variety of other factors, some of which will be beyond the Combined Group's control.

Any future equity issues by the Company could have an adverse effect on the market price of the Future Shares and could dilute ownership.

Admission may not occur when expected.

Holders of Future Shares outside the United Kingdom may not be able to participate in future equity offerings.

## **SECTION D—KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET**

### **D.1 Under which conditions and timetable can I invest in this security?**

Not applicable.

### **D.2 Why is this prospectus being produced?**

On 25 November 2020, the Future Board and the GoCo Group Board jointly announced that they had agreed the terms of a recommended combination of Future and GoCo Group. Under the terms of the Combination, which will be subject to the Conditions and the further terms and conditions which are set out in the Scheme Document, each GoCo Group Shareholder will be entitled to receive 0.052497 New Future Shares and 33 pence in cash for each GoCo Group Share.

This document has been prepared in connection with the application for admission of the New Future Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities. This document does not constitute an offer or invitation to any person to subscribe for or purchase any shares in Future.

## PART 1—RISK FACTORS

*An investment in the Future Shares is subject to significant risks. Prior to investing in the Future Shares, prospective investors should carefully consider all of the information in this Prospectus and, in particular, the risks described below before deciding to invest in the Future Shares. The following describes the material risks that could affect the business of the Future Group, the business of the GoCo Group of companies and, following Completion, the business of the Combined Group, and the value of the Future Shares. Additionally, some risks may be unknown to Future and other risks, currently believed to be immaterial, could turn out to be material. All of these could materially and adversely affect the Future Group, the GoCo Group of companies and, following Completion, the Combined Group's business, results of operations, financial condition and/or prospects. The market price of the Future Shares could decline due to any of these risks and Future Shareholders may lose all or part of their investment. This Prospectus also contains forward-looking statements that involve risks and uncertainties, including those described under "Information Regarding Forward-Looking Statements" elsewhere in this Prospectus. Future's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by the Combined Group described below and elsewhere in this Prospectus.*

*The risks described below are not an exhaustive list or explanation of all risks that investors may face when making an investment in the Future Shares. To the extent the description in this section relates to government or macroeconomic data, such information has been extracted from official government publications or other third-party sources and has not been independently verified by Future. References to the Combined Group in this section should be read as after Completion.*

*None of the statements made in this Part 1 (Risk Factors) in any way constitutes a qualification of the working capital statement contained in paragraph 12 of Part 14 (Additional Information) of this Prospectus.*

### 1. RISKS RELATING TO THE FUTURE GROUP AND/OR THE GOCO GROUP OF COMPANIES AND, FOLLOWING COMPLETION, THE COMBINED GROUP

#### 1.1 *Failure by GoCo Group of companies and, following Completion, the Combined Group to continue to attract a sufficient level of traffic to its websites at a commercially reasonable cost could have a material adverse effect on the business and the Combined Group's financial results*

The GoCo Group of companies has incurred and, following Completion, the Combined Group is expected to incur significant costs in relation to media and online (including search engine) advertising campaigns in an effort to increase traffic to its websites. Such campaigns may be ineffective, unsuccessful or may become more expensive (including if, for example, search engines increase their charges for search engine advertising) and consequently, if, following Completion, the Combined Group is unable to ensure that website traffic to GoCompare.com continues to be attracted in a cost-effective way, the campaign costs may offset revenues arising from resulting traffic. Additionally and following Completion, any negative publicity associated with the Combined Group's brands could counterbalance the positive effects of such campaigns.

Broadcast media has been a major source of media expenditure for the GoCo Group of companies, with the majority of the GoCo Group of companies' broadcast budget being spent on television advertising. If, following Completion, the Combined Group fails to increase the efficiency of TV advertising spend, this could have a material adverse effect on the Combined Group's operating margins.

In addition, the Future Group, the GoCo Group of companies and, following Completion, the Combined Group will continue to utilise online search engine advertising. Following Completion, the Combined Group's position in any advertising results that are displayed on a search engine results page will continue to be determined by a number of factors that are set by the search engine, and include the price that the Combined Group is willing to bid for a keyword. The keywords which are a priority to feature prominently on search engines, such as Google and Bing, have been chosen carefully and, following Completion, the Combined Group will set the price that it is willing to pay for various keywords at a level intended to ensure that its websites feature at or near the top of the advertising results for those keywords. If, following Completion, the Combined Group is unable to correctly determine the keywords that consumers use when searching online for relevant products or services, the Combined Group may in some instances only be able to rely on the display of its websites within the search engine's natural (or unpaid) search results to generate traffic to its websites. Given that natural (or unpaid) search results will appear below paid search results on a results page, the Combined Group may, following Completion, be unable to generate sufficient traffic to its websites from such positioning. Additionally, competitors may choose to outbid the Combined Group for certain keywords. This could result in its websites featuring further down

the advertising results on the results page for that user's search query (or potentially not at all). Following Completion, if the number of visits generated to the Combined Group's websites via paid search terms was to reduce such that the Combined Group's expenditure on paid search advertising was to become disproportionate to traffic generated, this could have a material adverse effect on the Combined Group's operating margins and financial results.

**1.2 *The Future Group's and, following Completion, the Combined Group's business depends on their ability to attract, motivate and retain their senior management and skilled personnel***

The successful management and operations of the Future Group and, following Completion, the Combined Group depend on the contribution of members of their senior management team and skilled personnel. The continuing success of the Future Group and, following Completion, the Combined Group will depend, in part, on their ability to continue to attract, motivate and retain highly experienced and skilled management and personnel. If the Future Group and, following Completion, the Combined Group does not succeed in attracting and retaining skilled personnel, it may not be able to grow its business as anticipated. Furthermore, the departure of the Future Group's and, following Completion, the Combined Group's senior management could, in the short term, have a material adverse effect on the Future Group's and, following Completion, the Combined Group's business. Whilst the Future Group has, and following Completion, the Combined Group will have ongoing employment agreements with its key employees, their retention cannot be guaranteed. Equally, the ability to attract new employees with the appropriate expertise and skills cannot be guaranteed. The Future Group and, following Completion, the Combined Group may experience difficulties in hiring appropriate employees and the failure to do so may have a detrimental effect upon the trading performance of the Future Group and, following Completion, the Combined Group.

Future's strong reputation as a significant content provider makes its staff potentially attractive to competitors. There is a risk that key staff will move elsewhere if offered significant increases in remuneration with which the Future Group and, following Completion, the Combined Group is unable to compete. In addition, if one or more key employees were to join a competitor or set up business in competition with the Future Group and, following Completion, the Combined Group, there can be no assurance that the loss of such employee's services would not have an adverse effect on the Future Group's and, following Completion, the Combined Group's financial condition and results of operations.

**1.3 *Unforeseen or rapid changes to search engines' algorithms or terms of service could cause the Future Group's and, following Completion, the Combined Group's websites to be excluded from or ranked lower in organic search results***

A material proportion of traffic visits to the Future Group's websites are and, following Completion, the Combined Group's websites, will be as a result of organic referrals from search engines. Transactions effected by consumers in this way result in higher margins to the Future Group and, following Completion, the Combined Group, as there are lower associated direct costs. Search engines do not accept payments to rank websites in their organic search results and instead they rely on algorithms to determine which websites are included in the results of a search query. An unexpected change in how search engines prioritise search traffic could have a material impact on the Future Group's and, following Completion, the Combined Group's ability to generate traffic to its websites, causing a reduction in advertising inventory and potential ecommerce traffic which, in turn, could have a material adverse effect on the business, results of operations, financial condition and/or prospects of the Future Group and, following Completion, the Combined Group.

**1.4 *The environment in which the GoCo Group of companies operates and, following Completion, the Combined Group will operate, is highly competitive. The evolution of the price and product comparison market has led to greater competition to retain and acquire consumers. A failure to remain competitive could have a material adverse effect on the business, results of operations, financial results and/or prospects of the Combined Group***

The GoCo Group of companies operates and, following Completion, the Combined Group will operate in a rapidly changing and highly competitive price and product comparison markets. Aggressive growth by other price and product comparison websites will, following Completion, put increased pressure on the Combined Group. Following Completion, if business partners of the Combined Group ("Partners") reduce the amount they pay to the Combined Group for providing the consumer lead or if the Combined Group

increases advertising expenditure in order to raise brand awareness, the Combined Group's operating margins and financial results could be adversely affected.

Other participants in the price and product comparison market have, and new entrants may have, greater financial and other resources. This could enable them to invest in the production and marketing of new and innovative technologies, in particular enhanced search and comparison capabilities or functionalities. This could further increase competition in the price and product comparison market, which may result in a reduction in the GoCo Group of companies' and, following Completion, the Combined Group's market share. Additionally, the business models adopted by new entrants to the market, or existing competitors, may be more attractive to consumers. Failure to provide competitive and innovative offerings could impact the ability of the GoCo Group of companies and, following Completion, the Combined Group to retain and attract consumers. This could have a material adverse effect on the business, results of operations, financial results and/or prospects of the GoCo Group of companies and, following Completion, the Combined Group.

The strategic evolution of the price and product comparison market has brought about a new type of competitor. These new entrants to the market are looking to leverage the status of trusted brands and establish consumer bases in their existing industries. Market entrants with websites in different industries, for example, a real estate portal with a function to search properties to buy and rent; an online market place for car shoppers and sellers; and a travel search engine for flights, hotels and car hires, are seeking to exploit their influence and move into different sectors, which could include comparison of the products on which the GoCo Group of companies focusses and, following Completion, the Combined Group will focus. For example, these websites allow users to purchase insurance with preferred providers at the completion of their initial transaction on the website.

**1.5 *The possibility of failures or interruptions in the Future Group's and, following Completion, the Combined Group's information technology systems or any third-party information technology system relied upon by the Combined Group could materially impact the Group's and, following Completion, the Combined Group's day-to-day operations***

The Future Group and, following Completion, the Combined Group will be increasingly dependent on information technology for the provision of information regarding most aspects of its financial and operational performance, including, but not limited to, affiliate transactions, advertising, distribution and costs information, as well as the delivery of its products, either printed, through websites or to digital newsstands. Interruption in the Future Group's and, following Completion, the Combined Group's information technology systems or any third-party information technology systems relied upon by the Combined Group, could be caused by a number of factors including as a result of human error, malfunction, damage, fire, natural disasters, power loss or malicious activities including computer hackings and computer viruses.

GoCo Group currently uses third party solutions to provide some of its comparison services, including travel insurance and money products, some of which are regulated third-party service providers. This is standard practice across the industry, and third party solutions are used by GoCo Group in all verticals other than its car, van and home insurance verticals. The GoCo Group utilises external data servers to host and operate GoCompare.com, and the GoCo Group can only exercise limited control over the third parties it contracts with. The GoCo Group also uses some software developed by third parties aimed at improving the customer experience of finding and applying for certain products by using an algorithm to filter search results in order to determine which products an applicant is more likely to be accepted for. This software is believed to help the GoCo Group improve its conversion rates by only presenting applicants with products for which they have a higher chance of acceptance by the product provider. If the GoCo Group was to lose its rights to use such software, or if the agreement between the GoCo Group and the software partner is not performed in accordance with its terms, the GoCo Group's ability to maintain its service offering in this respect could be restricted. Additionally, there can be no assurance that the software, or other similar software, currently used by the GoCo Group will continue to be available on commercially reasonable terms from the same third parties. Any material failure or disruption to the services provided by third parties could have a material adverse effect on the operations of GoCo Group, and following Completion, the Combined Group and/or its reputation.

Any failure of the Future Group's and, following Completion, the Combined Group's information technology systems or service providers (regulated or otherwise) would restrict the Future Group's and, following Completion, the Combined Group's ability to continue its operations and could have a material adverse effect on the Future Group's and, following Completion, the Combined Group's business, results

of operations, financial condition and/or prospects. In the event of a total network or server failure, or data loss, there would be a major impact on the production of magazines, operation of websites and the operational effectiveness of the business.

Malicious activities including computer hackings may result in a loss of personal data which would trigger the need to notify users and the Information Commissioner's Office and the Future Group, and following Completion, the Combined Group may suffer reputational risk, as well as a significant financial penalty if it is held to be responsible for the breach.

**1.6 *The Future Group may experience difficulties in integrating the management and operation of the GoCo Group of companies with the existing business carried on by the Future Group and following Completion, the Combined Group may not realise, or it might take the Combined Group longer than expected to realise, certain or all of the anticipated benefits of the Combination and unforeseen difficulties may arise***

There is a risk that the benefits of the Combination anticipated by the Future Directors fail to materialise, that they are materially lower than have been estimated, take longer or cost more to achieve, or that the GoCo Group of companies' business will fail to perform as expected. The expected synergies and cost savings are based upon Future's assumptions about the Future Group's ability to integrate the GoCo Group of companies in a timely fashion and within certain cost parameters. The Combined Group's ability to achieve targeted synergies and cost savings is dependent upon a significant number of factors, some of which may be beyond the Combined Group's control. If one or more of the underlying assumptions regarding any integration process proves to have been incorrect, these efforts could lead to substantially higher costs than planned and the Combined Group may not be able to realise fully, or in the anticipated time frame, the expected benefits of Future's targeted synergies and cost savings. Also, synergies and cost savings may not be realised or sustained due to changes in customer needs, laws, difficulty of integrating employees or other variables.

Until the Combination, the Future Group and the GoCo Group of companies will operate as separate businesses. The Combination will require the integration of the GoCo Group of companies with the existing head office functions of Future and the success of the Combined Group will depend, in part, on the effectiveness of the integration process and the ability of the Combined Group to realise the anticipated benefits without adding significant back office overhead or other costs.

The integration process may affect or impair the ability of the management team of the Combined Group to run the business effectively during the period of integration and to execute the Future Group's existing strategic priorities. There is a risk that the challenges associated with managing the Combined Group will result in management distraction or overstretch and that consequently the underlying businesses will not perform in line with expectations.

Integration of the cultures and philosophies of the Future Group and the GoCo Group of companies is likely to be made more challenging to the extent that the current operational disruption resulting from the COVID-19 outbreak and the restrictions put in place by governments in the UK and elsewhere are continuing at the time of Completion, particularly if employees are still required to work from home. The COVID-19 outbreak and measures to contain the outbreak may result in material operational impediments that prevent the timely execution of management's integration plans.

As a result of the above and/or other risks, it is possible that the costs of integration of the GoCo Group of companies into the Future Group may be materially higher than anticipated, which would adversely affect the expected synergy benefits and in particular exceed anticipated cost savings as a result of the Combination. In addition, the integration may take longer than is expected, or difficulties relating to the integration, including of which the Future Board are not yet aware, may arise. In such circumstances, the profitability of the Combined Group might be detrimentally affected, which could have a negative impact on the price of the Future Shares as well as a material adverse effect on the business, results of operations, financial condition and/or prospects of the Combined Group.

**1.7 *If consumer interest or confidence in the use of price and product comparison websites diminishes, or consumers become more concerned with understanding the quality of the product and not just how much it costs, this could have a material adverse effect on the business, results of operations, financial results and/or prospects of GoCo Group of companies and, following Completion, the Combined Group***

The success of GoCo Group's business depends on continued consumer interest in the use of price and product comparison websites. The GoCo Group of companies is exposed and the Combined Group will be

exposed to changes in behaviour of its consumers and the markets in which it compares insurance and other products; its success will be dependent to a large extent on the Combined Group's ability to anticipate, rapidly react to and take advantage of such changes. A large proportion of the GoCo Group of companies' customer base is made up of consumers wanting to switch to a more financially attractive product. In September 2020, the FCA released its final report on general insurance pricing alongside a consultation paper, in which it proposed new rules which would outlaw the so-called "loyalty penalty" and require firms to offer a renewal price no higher than the equivalent new business price for that customer through the same sales channel. The consultation period is open until 25 January 2021 and final rules are expected in the second quarter of 2021. The impact of any final rules on the behaviour of consumers is uncertain and cannot be predicted at this time. If consumers stop looking for more financially attractive products, choose to renew existing policies, are offered better deals directly by their product or service provider or if the prices of various products compared by the Combined Group begin to converge substantially, this could diminish consumer interest in the use of price and product comparison websites and could have a material adverse effect on the business, results of operations, financial results and/or prospects of the Combined Group.

The GoCo Group of companies operates and, following Completion, the Combined Group will operate in a market where integrity, trust and confidence are crucial. If there is a change in the consumer perception of price and product comparison websites being a trusted market place, or product and/or service providers cease to sell products through price and product comparison websites, this could have a material adverse effect on the business, results of operations, financial results and/or prospects of the Combined Group.

#### **1.8 *GoCo Group and certain of its third-party providers are, and following Completion, the Combined Group will be, subject to regulation by various governmental authorities and other public authorities***

The GoCo Group of companies is and following Completion, the Combined Group will be subject to regulation by a number of authorities in the UK and elsewhere, including (but not limited to) the FCA and the Information Commissioner's Office. In addition, GoCo Group currently uses regulated third-party service providers to provide some of its comparison services. This is standard practice across the industry, and third party solutions are used by GoCo Group in all verticals other than its car, van and home insurance verticals.

In particular, Gocompare.com Limited, a GoCo Group subsidiary, is authorised and regulated in the UK by the FCA to carry on general insurance distribution activities and credit brokerage activities. The FCA is responsible for the conduct and prudential regulation of Gocompare.com Limited and has wide powers to supervise Gocompare.com Limited. The FCA also has a wide range of enforcement powers relating to Gocompare.com Limited's permissions to carry on specified regulated activities. If the FCA determines that Gocompare.com Limited has failed to comply with applicable regulations or, following such determination, has not undertaken the required corrective action, the FCA could impose sanctions including the issue of a public censure or private warning on Gocompare.com Limited or its regulated third-party service providers, or the imposition of unlimited fines on Gocompare.com Limited, or persons performing certain functions in relation to it or its regulated third-party service providers. Any of these sanctions, whether imposed individually or in conjunction with other disciplinary measures, could have a material adverse effect on the business and the Combined Group's reputation. Additionally, the Combined Group could suffer substantial negative publicity and significant expense and diversion of management time and attention as a result of any regulatory investigations, by the FCA or any other regulatory authority, which could affect the Combined Group's ability to retain and attract customers. Although Gocompare.com Limited dedicates significant resources to compliance with its regulatory and industry obligations, there is no guarantee that such measures will eradicate the risk that a regulator could find that Gocompare.com Limited has failed to comply with applicable regulations.

Gocompare.com Limited offers consumers the opportunity to receive emails and other communications in relation to the services and products listed on GoCo Group's website. Such communications may, depending upon their content, constitute 'financial promotions' under FSMA. FSMA provides that firms that are not authorised by one or both of the FCA and/or the PRA must not communicate financial promotions unless the content of the communication has been approved by an entity that is authorised by one or both of the FCA and/or the PRA, or unless a legislative exemption applies.

FCA authorised firms (such as Gocompare.com Limited) must comply with detailed provisions within ICOBS in the FCA Handbook in respect of financial promotions that are made and approved by them. Breach of these rules can result in disciplinary action being taken by the FCA against the authorised firm.

Sanctions arising from such disciplinary action could potentially include private or public censure and/or a fine and/or a requirement to modify the operations of the relevant firm.

Any sanctions arising from breach of applicable law or regulation relating to financial promotions—whether imposed on Gocompare.com Limited, the GoCo Group of companies, or following Completion, the Combined Group, could have a material adverse effect on the Combined Group's reputation.

In late 2019 and throughout 2020, the FCA published a number of statements, guidance, and reports relevant to Gocompare.com Limited's regulated insurance distribution activities. In particular, the FCA's Business Plan 20/21 identifies several key concerns in relation to general insurance and protection ("GI&P"). One of these concerns is the harm caused in general insurance by unfair pricing practices in personal lines insurance, unsuitable or poor value products and services, as well as remuneration practices in firms that drive down value to the customer. Another of these concerns is that developments in underwriting practice might also lead to problems of access for some customers, e.g. where using biometric or genetic data for risk modelling could make some consumers uninsurable, removing their access to the pooling of risk. Addressing these concerns, the Business Plan 20/21 also sets out key outcomes that the FCA seeks to achieve in this period, which include: ensuring customers get high-quality, fair value GI&P products and services that are suitable for their needs and deliver on what is intended at the time of claim; ensuring customers receive communications about products that are clear and not misleading both when they take out products for the first time and when they look to renew or switch; assessing how firms are applying the FCA's work on value measures, renewals and switching in our engagement with the market; ensuring customers are not unfairly excluded from GI&P products and services; ensuring firms consider the needs of vulnerable consumers and signpost them to specialist providers in the travel insurance market where their needs are too complex for firms to meet; publishing further work on the General Insurance Pricing Practices market study; and, ensuring that the GI&P sector is operationally resilient and supplies important products and services with minimal disruption to customers and markets. The impact of the FCA's statements, guidance and reports on consumer behaviour or Gocompare.com Limited's regulated insurance distribution activities is uncertain, but could have an adverse effect on the business, results of operations, financial results and/or prospects of the Combined Group.

From time to time GoCo Group has received complaints about advertising campaigns it has run, including complaints from the Advertising Standards Authority ("ASA"). For example, following a complaint from a competitor in 2015, the ASA investigated claims made by GoCo Group in television advertising about the number of customers of GoCo Group. The ASA considered that the claim made by GoCo Group was misleading and not substantiated. GoCo Group was advised that the advertisement should not be shown again but no fine or other sanction was imposed on GoCo Group. A successful complaint against one of GoCo Group's advertising campaigns could generate negative publicity or result in a cost to the GoCo Group of companies and, following Completion, the Combined Group were it required to change any of its advertising.

Unfavourable publicity concerning the GoCo Group of companies and, following Completion, the Combined Group or the price and product comparison industry could damage the GoCo Group brand and if future branding efforts are not successful, the GoCo Group of companies' and, following Completion, the Combined Group's revenue and ability to attract consumers may be unfavourably impacted, which may have an adverse effect on the GoCo Group of companies' and, following Completion, the Combined Group's financial condition and future prospects.

**1.9 *Product segments in the price and product comparison industry may fail to grow as forecast and may decline and the growth in demand experienced by GoCo Group of companies and, following Completion, the Combined Group for price and product comparison services, both in its existing and its targeted segments, may be slower than anticipated, not arise, or, indeed, be negative***

The success of the GoCo Group of companies' business relies and, following Completion, the Combined Group's business will rely in part, on its ability to anticipate, target and penetrate areas of growth within the product and service comparison segments in which it participates and in which it is seeking to participate. A number of factors might affect industry growth, the GoCo Group of companies' and, following Completion, the Combined Group's growth within it, including broader economic and market conditions. These factors can be difficult to predict and in many cases, will be out of the Combined Group's influence and control. Following Completion, there can be no assurance that the industries in which the Combined Group participates will grow as anticipated, and it is possible that demand for various

product segments will decline, which could materially adversely affect the business, results of operations, financial condition and/or prospects of the Combined Group. Further, there is no assurance that, following Completion, the Combined Group will maintain or increase its market share in the product segments in which it participates or is seeking to participate and the Combined Group's market share of these product segments may decline in the future.

**1.10 *Traffic to GoCompare.com depends on consumer awareness and appreciation of the GoCo Group brand. Negative publicity or failure to sustain and strengthen the status of the GoCo Group brand may affect the Combined Group's ability to retain and attract consumers***

Following Completion, the business and future growth of the Combined Group depend on the visibility of and consumer trust in the GoCo Group brand. The Combined Group will be reliant on the ongoing strength and growth of the GoCo Group brand to maintain and increase its ability to attract consumers, Partners and/or advertisers.

Negative publicity surrounding the Combined Group could materially weaken confidence in the Combined Group's services. Among other things, the publication of poor financial results, the termination of contracts with key Partners, failure by suppliers or Partners to fulfil contracts with the Combined Group or consumers, threatened or actual litigation, adverse regulatory investigations or actions, or disruptions to its websites could result in a negative publicity campaign. In particular, a lack of objectivity in the search results on GoCompare.com (or a perceived lack of objectivity among consumers) could have a material adverse effect on the business, results of operations, financial performance and/or prospects of the Combined Group. Following Completion, the Combined Group could also face cyber-attacks or security breaches, which could lead to the abuse by a third party of consumer and/or other personal data. Such an eventuality could have a material adverse effect on the Combined Group's ability to cultivate consumer trust. Indeed, any negative publicity could materially harm the Combined Group's brands, reduce traffic to its websites and damage relationships with existing, and potential, key Partners.

Following Completion, the Combined Group will also be exposed to damage to its brand arising from its relationships with third party service partners and suppliers. For example, the Combined Group's reputation could suffer as a result of arrangements provided to consumers by third parties which provide 'white label' solutions for certain search segments, such as travel, energy, savings and breakdown. The Combined Group's relationship with such service partners will be limited to that of a contractual business relationship; no common ownership or control rights exist between the Combined Group and such partners. However, although the Combined Group cannot be held responsible for the content of such websites, the Combined Group may suffer reputational loss as a result of the poor service of, or consumer disturbance caused by, such service partners. Additionally, legal or regulatory proceedings brought against such service partners could damage the Combined Group's brand and could consequently have a material adverse effect on the business and the Combined Group's financial results.

**1.11 *The Future Group is and, following Completion, the Combined Group will be subject to regulation regarding the use of personal data***

The Future Group is and, following Completion, the Combined Group will be required to comply with strict data protection and privacy legislation in the jurisdictions in which the Future Group operates and, following Completion, the Combined Group will operate, including (without limitation) the General Data Protection Regulation and the Data Protection Act 2018. Such laws restrict the Future Group's and, following Completion, will restrict the Combined Group's ability to collect, use and transfer personal information relating to its customers and third parties, including the marketing use of that information or sharing such information with third parties. The need to comply with data protection legislation is a significant control, operational and reputational risk which can affect the Future Group and, following Completion, the Combined Group in a number of ways including, for example, making it more difficult to grow and maintain marketing data and also through potential litigation or regulatory action (including substantial fines) relating to the alleged misuse of personal data. In some cases, the Future Group and, following Completion, the Combined Group may rely on third party contractors and employees to maintain its databases and seeks to ensure that procedures are in place to comply with the relevant data protection regulations. The Future Group is and, following Completion, the Combined Group will be exposed to the risk that its data could be wrongfully appropriated, lost or disclosed, or processed in breach of data protection regulation, by or on behalf of the Future Group and, following Completion, the Combined Group. If the Future Group and, following Completion, the Combined Group or any third party service providers on which it may rely fails to transmit customer information in a secure manner, or if any

such loss of personal customer data were otherwise to occur, the Future Group and, following Completion, the Combined Group could face liability under data protection laws and/or suffer reputational damage from the resulting lost goodwill of individuals such as customers or employees, as well as deterring new customers.

Further, in connection with its business, the Future Group currently transfers and, following Completion, the Combined Group will transfer some personal data to external third parties and to other entities within the Future Group and, following Completion, the Combined Group who are located outside the EEA (or the UK, in the event the UK is no longer a member of the EEA following the end of the transition period in respect of the UK's exit from the European Union (commonly referred to as Brexit) (the "**Transition Period**")), including to parties based in the United States. Pursuant to EEA data protection regulations, transfers of personal data outside of the EEA (or the UK, in the event the UK is no longer a member of the EEA following the end of the Transition Period) are restricted unless the importing country offers an adequate level of protection or if the European Commission decides such importing country has adequate safeguards in place. If the Future Group and, following Completion, the Combined Group is found not to comply with the data protection laws in respect of transfers of personal data outside the EEA (or the UK, in the event the UK is no longer a member of the EEA following the end of the Transition Period), this may result in investigative or enforcement action (including significant pecuniary penalties) by the Information Commissioner's Office in the UK or similar regulatory authorities in other jurisdictions in which the Future Group and, following Completion, the Combined Group operates. This in turn could damage its reputation, lead to negative publicity and result in the loss of the goodwill of its existing customers and deter new customers, all of which would have a material adverse effect on the Future Group's and, following Completion, the Combined Group's business, results of operations, financial condition and/or prospects.

**1.12 *The Future Group and, following Completion, the Combined Group are affected by economic conditions of the sector and regions in which they and their customers operate***

The Future Group depends and, following Completion, the Combined Group will depend on consumers spending discretionary funds on leisure activities. The prevailing global economic climate, inflation, levels of employment, real disposable income, salaries, wage rates, interest rates, consumer confidence and consumer perception of economic conditions can all influence customer spending decisions adversely.

The Future Group has and, following Completion, the Combined Group will have substantial operations in the United Kingdom and the United States, and as a result will continue to be exposed to macro-economic conditions in both these markets.

The effects Brexit and the end of the withdrawal period will depend on any agreements the United Kingdom makes to retain access to EU markets, and it is not yet clear what the terms of such agreements will be, or if there will be any such agreements. Brexit could lead to legal uncertainty and potentially divergent national laws and regulations, and could also adversely affect economic or market conditions. If the economic conditions or consumer perception of economic conditions in the United Kingdom weaken as a result of Brexit, this may adversely influence appetite for and/or performance of, the Combined Group's products and would have an adverse impact on the business, results of operations, financial condition and/or prospects of the Future Group and, following Completion, the Combined Group.

**1.13 *The current COVID-19 pandemic, or the future outbreak of other highly infectious or contagious diseases, could materially and adversely affect the Future Group's, and following Completion, the Combined Group's business, financial condition and results of operations.***

The COVID-19 pandemic has resulted in the UK Government, and other governments around the world, implementing numerous measures in an attempt to contain the virus, such as travel bans and restrictions, imposition of quarantines, prolonged closures of workplaces and curfews or other social distancing measures, and the mandatory closure of certain businesses.

The outbreak of COVID-19 has created considerable instability and disruption in the UK and other world economies. Considerable uncertainty still surrounds COVID-19 and its potential effects, however measures taken to limit the impact of COVID-19, including "social distancing" and other restrictions on travel, congregation and business operations have already resulted in negative macro-economic impacts. The long-term impact of COVID-19 on the UK and global economies remains uncertain, but has resulted in significant economic disruption, the duration and scope of which cannot currently be predicted.

The Future Group's magazine sales and events were inevitably impacted by the pandemic due to the closure of high-street stores and restrictions on holding in-person events. Three significant events (The Photography Show, The National Homebuilding & Renovating Show and New York City TV Week), which would normally be held in March were cancelled, and were instead held virtually. In relation to the GoCo Group of companies, the aforementioned lock downs, social distancing measures and travel restrictions resulted in a material slowdown in sales of travel insurance, and during the initial stages of lockdown there were some restrictions on driving tests resulting in a lower volume of new drivers coming into the market, with a consequential impact on car insurance quotes which is a core revenue stream for the GoCo Group of companies.

The extent to which the Future Group's, and following Completion, the Combined Group's operating results will continue to be affected by the COVID-19 pandemic will largely depend on future developments, which are highly uncertain and cannot be accurately predicted, including the duration, scope and severity of the pandemic, the actions taken to contain or mitigate its impact, and the direct and indirect economic effects of the pandemic and related containment measures, among others.

## 2. RISKS RELATING TO THE COMBINATION

### 2.1 *The Future Group is exposed to any deterioration in trading in the GoCo Group of companies' business between the date of this document and Completion*

Due to the Conditions and further terms and conditions set out in the Scheme Document required to be satisfied prior to Completion, there will be a period during which the Future Group will be exposed to any adverse change in the financial position and future prospects of the GoCo Group of companies. Any such changes could have a material adverse effect on the businesses, results of operations, financial condition and/or prospects of the Future Group.

### 2.2 *Completion is subject to conditions which may not be satisfied*

Completion is conditional upon, amongst other things: obtaining the relevant regulatory clearances from regulators; the approval of the Scheme by a majority in number of the holders of Scheme Shares voting at the GoCo Group Court Meeting, either in person or by proxy, representing at least 75% by value of the Scheme Shares voted; all resolutions necessary to approve and implement the Scheme and to approve certain related matters being duly passed by the requisite majority or majorities at the GoCo Group General Meeting or at any adjournment of that meeting; all resolutions necessary to approve and implement the Combination being duly passed by the requisite majority or majorities at the Future General Meeting or at any adjournment of that meeting; and the sanction of the Scheme with or without modification (but subject to any such modification being acceptable to Future and GoCo Group) by the Court.

Although the Future Directors believe that the Conditions will be satisfied in accordance with the expected timetable, it is possible that there may be delays or that the Conditions may not be satisfied in the necessary time frame (or waived, if applicable). In particular, the Future Directors believe that clearances should be forthcoming, but it is possible that the parties may not obtain these clearances, or that they may not be obtainable within a timescale acceptable to the parties, or that they may only be obtained subject to certain conditions or undertakings which may not be acceptable to the parties. In the event that any required clearance is not obtained on terms reasonably satisfactory to Future or GoCo Group or if any other Condition is not fulfilled or waived, the Combination may not be completed. Further, it is possible that regulators may attach conditions to their approval of the Combination, which might delay or prevent the realisation of certain synergies identified by the parties or otherwise impact the Combined Group's strategy and operations.

Future's ability to invoke a Condition (other than Scheme-related conditions) to either lapse the Combination or to delay the Combination beyond the Long Stop Date is subject to the Panel's consent. The Panel will need to be satisfied that the underlying circumstances are of "material significance" to Future in the context of the Combination and this is a high threshold to meet. Consequently, there is a significant risk that Future may be required to complete the Combination even where certain Conditions have not been satisfied or where a material adverse change has occurred to the GoCo Group of companies.

If these events were to occur, there may be a material adverse effect on the businesses, results of operations, financial condition and/or prospects of the Future Group, the GoCo Group of companies and/or, following Completion, the Combined Group.

**2.3 *Synergy benefits resulting from the Combination may fail to materialise or be materially lower than have been estimated***

The estimates regarding the potential cost synergies resulting from the Combination included in this document are based on the Future Director's assessment of the information currently available and may prove incorrect. There is a risk that the projected cost synergies will fail to materialise, including if the Combination is not completed as contemplated, or that they may be materially lower than have been estimated, or may encounter difficulties or higher costs in achieving these anticipated synergies, which would have a significant impact on the profitability of the Combined Group in the future.

**2.4 *The due diligence process that the Group and, following Completion, the Combined Group undertakes in connection with acquisition (including the Combination) may fail to uncover relevant information concerning a target business***

The Future Group has made a number of acquisitions in the past few years. Prior to making an acquisition, the Future Group conducts due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each acquisition. When conducting due diligence, the Future Group and, following Completion, the Combined Group may be required to evaluate important and complex business, financial, tax, accounting, legal issues, and outside consultants, legal advisers, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of acquisition. Nevertheless, when conducting due diligence and making an assessment regarding an acquisition, including the Combination, the Future Group relies and, following Completion, the Combined Group will rely on the resources available to it, including information provided by the target business. The due diligence process may at times be subjective and the Future Group's and, following Completion, the Combined Group's assessments are subject to a number of assumptions relating to profitability, growth and company valuations. Accordingly, there can be no assurance that the assessments or due diligence conducted regarding target businesses will prove to be correct or reveal or highlight all relevant facts that may be necessary or helpful in evaluating the potential acquisition, and actual developments may differ significantly from the Future Group's and, following Completion, the Combined Group's expectations. As a result, the Future Group and, following Completion, the Combined Group may pay too high a price to acquire a business, assume unexpected liabilities or lose customers or employees following the acquisition. If any or all of these risks were to materialise, the result could have a material adverse effect on the businesses, results of operations, financial condition and/or prospects of the Future Group and, following Completion, the Combined Group.

**2.5 *Shareholders in Future will experience a dilution of their ownership of the Combined Group***

Pre-emption rights do not apply to the issue of the New Future Shares to the GoCo Group Shareholders pursuant to the Combination. Following Completion, holders of the Existing Future Shares will experience dilution in their proportionate ownership and voting interest in the Combined Group compared to their proportionate ownership and voting interest in Future immediately prior to Completion because of the issue of the New Future Shares to the GoCo Group Shareholders.

**3. RISK RELATING TO THE FUTURE SHARES**

**3.1 *The market value of listed securities may fluctuate and may not reflect the underlying asset value of the Future Group or, following Completion, the Combined Group***

The value of an investment in Future may go down as well as up. The market value of the Future Shares could be subject to significant fluctuations and may not always reflect the underlying asset value. A number of factors outside the control of the Future Group and, following Completion, the Combined Group may impact on its performance and the price of the Future Shares.

The market price of the Future Shares may be adversely affected by any of the preceding or other factors regardless of the Future Group's and, following Completion, the Combined Group's actual results of operations and financial condition. Moreover, the financial results and prospects of the Future Group and following Completion the Combined Group may be below the expectations of market analysts and investors from time to time. Any of these events could result in a decline in the market price of the Future Shares.

### **3.2 *The market price of Future Shares post-Combination may go down***

Future Shareholders should be aware that the value of an investment in the Combined Group may go down and can be highly volatile. The price at which the Future Shares may be quoted and the price which investors may realise for their Future Shares will be influenced by a large number of factors, some specific to the Combined Group and its operations and some which may affect the industry as a whole, other comparable companies or publicly traded companies as a whole. The sentiments of the stock market regarding the Combination will be one such factor and this, together with other factors including the actual or anticipated fluctuations in the financial performance of the Combined Group and its competitors, market fluctuations, and legislative or regulatory changes, could lead to the market price of the Future Shares going down.

### **3.3 *Any future Future Share issues and sales of Future Shares by major Future Shareholders may further dilute the holdings of current Future Shareholders and may also have an adverse effect on the market price of the Future Shares***

Other than pursuant to this issue of New Future Shares, the Future Group has no current plans for a subsequent issuance of Future Shares. However, it is possible that the Future Group and, following Completion, the Combined Group may decide to offer additional Future Shares in the future. If Future Shareholders did not take up any such offer of Future Shares or were not eligible to participate in such offering, their proportionate ownership and voting interests in Future would be reduced. An additional offering or a significant sale of Future Shares by any of the Future Group's or, following Completion, the Combined Group's major shareholders could have an adverse effect on the market price of the outstanding Future Shares.

### **3.4 *The Future Group's and, following Completion, the Combined Group's ability to pay dividends on the Future Shares will depend on the availability of distributable reserves***

The Future Group's and, following Completion, the Combined Group's ability to continue to pay dividends on the Future Shares will depend on the availability of distributable reserves. The level of any dividend paid in respect of the Future Shares is within the discretion of the Future Board and is subject to a number of factors, including the business and financial condition of, earnings and cash flows of, and other factors affecting, the Future Group and, following Completion, the Combined Group, as well as the availability of funds from which dividends can be legally paid. The level of any dividend in respect of the Future Shares is also subject to the extent to which Future receives funds, directly or indirectly, from its operating subsidiaries and divisions (which, following Completion, will include members of the GoCo Group of companies) in a manner which creates funds from which dividends can be legally paid. The ability of its subsidiaries to pay dividends to Future and its ability to receive distributions from its investments in other entities are subject to applicable local laws and regulatory requirements and other restrictions. These laws and restrictions could limit the payment of dividends and distributions to Future by its subsidiaries, which could in the future restrict Future's ability to fund its operations or to pay a dividend to its shareholders. Any reduction in dividends paid on Future Shares from those historically paid, or the failure to pay dividends in any financial year, could adversely affect the market price of Future Shares.

### **3.5 *Exchange rate fluctuations may impact the value of the Future Shares for those Future Shareholders whose principal currency is not pound sterling***

The Future Shares are, and any dividends to be paid in respect of them will be, denominated in pound sterling. An investment in Future Shares by an investor whose principal currency is not pound sterling exposes the investor to foreign currency rate risk. Any depreciation of sterling in relation to such foreign currency will reduce the value of the investment in the Future Shares or any dividends in foreign currency terms.

### **3.6 *Admission may not occur when expected***

Applications for Admission are subject to the approval (subject to satisfaction of any conditions to which such approval is expressed to be subject) of the FCA and will become effective as soon as a dealing notice has been issued by the FCA and the London Stock Exchange has acknowledged that the New Future Shares will be admitted to trading. There can be no guarantee that any conditions to which Admission is subject will be met or that the FCA will issue a dealing notice. See "Expected Timetable of Principal Events" in this document for further information on the expected timetable for these events.

### **3.7 *Pre-emption rights for US and other non-UK holders of Future Shares may be unavailable***

In the case of certain increases in Future's issued share capital, existing holders of Future Shares are generally entitled to pre-emption rights to subscribe for such shares, unless Future Shareholders waive such rights by a resolution at a shareholders' meeting. US holders of ordinary shares in UK companies are customarily excluded from exercising any such pre-emption rights they may have, unless a registration statement under the US Securities Act is effective with respect to those rights, or an exemption from the registration requirements thereunder is available. Future does not intend to file any such registration statement, and Future cannot assure prospective US investors that any exemption from the registration requirements of the US Securities Act or applicable non-US securities law would be available to enable US or other non-UK holders to exercise such pre-emption rights or, if available, that Future will utilise any such exemption.

### **3.8 *The taxation of an investment in Future Shares depends on a holder's individual position, and investors should accordingly seek independent advice***

The taxation of an investment in Future Shares depends on the individual circumstances of Future Shareholders or investors in New Future Shares and the summary of the UK taxation treatment of an investment in the Future Shares, including the New Future Shares, set out in Part 13 (*Taxation*) of this document is intended as a general guide only. It does not deal with the specific tax position of every investor and only deals with rules of UK taxation of general application. Therefore any investors who are in any doubt as to their tax position regarding the Future Shares, including the New Future Shares and any investors subject to tax in a jurisdiction other than the UK should consult their own independent tax advisers.

### **3.9 *Shareholders may be unable to enforce judgments obtained in US courts***

The Company is incorporated and registered in England and Wales, under the Companies Act 1985. Service of process upon the Future Directors and the officers of Future, the majority of whom reside outside the United States, may be difficult to obtain within the United States. Furthermore, since most of the directly owned assets of Future and the Future Directors are located outside the United States, any judgment obtained in the United States against it or them may not be enforceable outside of the United States, including without limitation judgments based upon the civil liability provisions of the US federal securities laws or the laws of any state or territory within the US. In addition, an award or awards of punitive damages in actions brought in the US or elsewhere may be unenforceable in the UK. Investors may also have difficulties enforcing, in original actions brought in courts in jurisdictions outside the US, liabilities under US securities laws.

### **3.10 *Future is a holding company and depends on its ability to receive funds from the Future Group's, and following Completion, the Combined Group's, operating subsidiaries to meet financial obligations and for the payment of dividends on Future Shares.***

Future is a holding company that holds equity interests in the Future Group's, and following Completion, the Combined Group's, operating subsidiaries. Future is therefore dependent on loans, dividends and other payments from subsidiaries to generate the funds necessary to meet financial obligations, including its debt service obligations, and for the payment of dividends on Future Shares. Further, the payment of dividends is likely to be subject to the availability of distributable reserves.

Future's subsidiaries are, and following Completion, the Combined Group's subsidiaries will be, legally distinct from Future and have no obligation to make funds available to Future. In addition, any payment of dividends, distributions, loans or advances to Future by its subsidiaries could be subject to legal or regulatory restrictions on dividends or restricted by the terms of their existing or future indebtedness. Payments to Future by its subsidiaries will also be contingent upon the subsidiaries' cash flows. The ability of Future's subsidiaries to generate sufficient cash flow from operations to allow them to make sufficient funds available to Future to make scheduled payments on its debt service obligations will depend on Future's subsidiaries' financial performance, which will be affected by a range of economic, competitive and business factors. There can be no assurances that the cash flow and earnings of the Future Group's, and following Completion, the Combined Group's operating subsidiaries and the amount that they are able to distribute to Future as dividends or otherwise will be sufficient for Future to satisfy its debt service obligations or for the payment of dividends on Future Shares.

## PART 2—PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### General

No person has been authorised to give any information or to make any representations other than those contained in this document in connection with the Admission and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Future Directors, the Proposed Future Director, Numis Securities and Goldman Sachs. Without prejudice to any obligation of Future to publish a supplementary prospectus pursuant to Section 87G of the FSMA and PR 3.4.1 of the Prospectus Regulation Rules, neither the delivery of this document nor of the issue of New Future Shares pursuant to the Admission shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or of the Future Group since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

The contents of this document are not to be construed as legal, business or tax advice. Any prospective investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice in relation to any action in respect of the Future Shares.

None of the Company, the Future Directors, the Proposed Future Director, Numis Securities or Goldman Sachs is making any representation to any shareholder or prospective acquirer of the New Future Shares regarding the legality of an investment by such shareholder or investor.

Apart from the responsibilities and liabilities, if any, which may be imposed on Numis Securities or Goldman Sachs by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Numis Securities nor Goldman Sachs accepts any responsibility whatsoever for, or makes any representation or warranty, express or implied, as to the contents of this document or for any other statement made or purported to be made by it, or on its behalf, in connection with Future, the Future Group, the Combined Group or the Combination and nothing in this document will be relied upon as a promise or representation in this respect, whether or not to the past or future. Numis Securities and Goldman Sachs accordingly disclaim all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this document or any such statement.

Numis Securities and Goldman Sachs accordingly disclaims all and any responsibility or liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this document or any such statement.

This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of Future, the Future Directors, the Proposed Future Director, Numis Securities or any of their affiliates or representatives that any recipient of this Prospectus should vote in favour of the Combination.

Investors should ensure that they read the whole of this Prospectus carefully and not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination, analysis and enquiry of Future and this Prospectus, including the merits and risks involved.

This Prospectus is not intended to, and shall not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the offer or otherwise. The Combination will be made solely through the Scheme Document, which will contain the full terms and conditions of the Combination, including details of how the Combination may be accepted. Any acceptance or other response to the Combination should be made only on the basis of the information in the Scheme Document.

### Presentation of financial information

The financial information in this Prospectus has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). The significant IFRS accounting policies applied in the financial information of the Future Group are applied consistently in the financial information in this Prospectus.

The GoCo Group of companies' consolidated historical financial information incorporated by reference into this Prospectus as set out in Part 15 (*Information Incorporated by Reference*) of this document has been prepared in

accordance with IFRS. The basis of preparation and significant accounting policies are set out within Note 2 of the GoCo Group of companies' consolidated historical financial information.

### **Financial information of the Future Group and the GoCo Group of companies**

All financial information relating to the Future Group contained in this Prospectus, unless otherwise stated, has been extracted or derived without material adjustment from its audited consolidated financial statements as of, and for, the financial year ended 30 September 2020, which is incorporated by reference into this Prospectus as set out in Part 15 (*Information Incorporated by Reference*) of this document.

All financial information relating to the GoCo Group of companies contained in this Prospectus, unless otherwise stated, has been extracted or derived without material adjustment from its audited consolidated financial statements as of, and for, the financial year ended 31 December 2019 and the interim report for the period ended 30 June 2020, which are incorporated by reference in Part 15 (*Information Incorporated by Reference*) of this document.

### ***Pro forma* financial information**

In this document, any reference to "pro forma" financial information is to information which has been extracted without material adjustments from the unaudited pro forma financial information contained in Part 12 (*Unaudited Pro Forma Financial Information of the Combined Group*) of this document. The unaudited pro forma information contained in Part 12 (*Unaudited Pro Forma Financial Information of the Combined Group*) of this document is based on the historical financial information of the Future Group and the GoCo Group of companies incorporated by reference into this Prospectus as set out in Part 15 (*Information Incorporated by Reference*) of this document. The unaudited pro forma information consists of a pro forma income statement for the financial year ended 30 September 2020 and a net assets statement as at 30 September 2020 relating to the Combined Group. The pro forma income statement has been prepared to illustrate the effect of the acquisition of TI Media and the proposed combination with GoCo Group on the income statement of the Future Group for the financial year ended 30 September 2020 as if they had both taken place at the beginning of that financial year. The unaudited pro forma statement of net assets has been prepared to illustrate the effect on the net assets of the Future Group as if the proposed Combination had taken place on 30 September 2020. The pro forma financial information has been prepared under IFRS and on the basis set out in Part 12 (*Unaudited Pro Forma Financial Information of the Combined Group*) of this document and in accordance with Annex 20 of the PR Regulation. The pro forma financial information is stated on the basis of the accounting policies of Future.

In addition to the matters noted above, the unaudited pro forma financial information does not reflect the effect of anticipated synergies and efficiencies associated with the Combination.

### **Non-IFRS financial information**

This document includes certain unaudited non-IFRS measures and ratios, including adjusted EBITDA and adjusted operating profit for the Future Group, which are not measures of financial performance under IFRS.

The Future Directors and the Future Group's management use these measures to evaluate the Future Group's performance and the Future Directors believe these measures provide investors with meaningful, additional insight as to underlying performance of the Future Group. These measures are "alternative performance measures" under the European Union regulations.

Investors should not consider these non-IFRS financial measures as alternatives to measures reflected in the consolidated financial statements of the Future Group, which have been prepared in accordance with IFRS. In particular, investors should not consider such measures as alternatives to profit after tax, operating profit or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities as a measure of the Future Group's activity. Because alternative performance measures are not determined in accordance with generally accepted accounting principles and are thus susceptible to varying calculations, the Future Group's non-IFRS financial measures may not be comparable with similarly titled financial measures reported by other companies. A reconciliation of non-IFRS measures to the nearest IFRS line item can be found in the Future Annual Report 2020 are incorporated by reference into this Prospectus as set out in Part 15 (*Information Incorporated by Reference*) of this document.

These measures, by themselves, do not provide a sufficient basis to compare the Future Group's performance and financial position with those of other companies and should not be considered in isolation, as a substitute

for revenue from properties, profit before tax, net assets or any other performance measure derived in accordance with IFRS or as an alternative to cash flow from operations as a measure of liquidity.

This document includes unaudited non-IFRS financial measures and ratios, including adjusted operating profit for GoCo Group, which is not a measure of financial performance under IFRS. Adjusted operating profit, as presented in connected to GoCo Group is defined as operating profit before adding back amortisation of acquired intangibles, transaction costs, other exceptional corporate costs, fair value changes in contingent consideration and Foundation Award share-based payment charges. A reconciliation of adjusted operating profit to operating profit can be found in the GoCo Group Annual Report and Accounts 2019, which is incorporated by reference in this Prospectus as set out in Part 15 (*Information Incorporated by Reference*) of this document.

Investors should not consider these non-IFRS financial measures as alternatives to measures reflected in the historical financial statements of the GoCo Group of companies, which have been prepared in accordance with IFRS. In particular, the investors should not consider such measures as alternatives to profit after tax, operating profit or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities as a measure of the GoCo Group of companies' activity.

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

No statement in this document (including any statement of estimated cost savings or synergies) is intended as a profit forecast or estimate for any period and no statement in this document should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Future Group or the Combined Group, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Future Group or the Combined Group, as appropriate.

### **Post-offer undertakings**

No statements in this document constitute "post-offer undertakings" for the purposes of Rule 19.5 of the Code.

### **Presentation of currencies**

Unless otherwise indicated, all references to "GBP", "£", "pounds", "sterling", or "pounds sterling" are to the lawful currency of the United Kingdom.

### **Rounding**

Percentages in tables have been rounded and accordingly may not add up to 100%. Certain financial data have also been rounded. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data.

### **Market, economic and industry data**

Market, economic and industry data used throughout this document is derived from various industry and other independent sources. Future and the Future Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

### **Definitions**

Certain terms used in this document, including capitalised terms and certain technical terms, are defined and explained in Part 16 (*Definitions*) of this document.

### **Incorporation by reference**

Certain information in relation to the Future Group and the GoCo Group of companies is incorporated by reference into this document. Further information is set out in Part 15 (*Information Incorporated by Reference*) of this document. Without limitation, unless expressly stated herein, the contents of the websites of the Future Group or the GoCo Group of companies, and any links accessible through the websites of the Future Group or the GoCo Group of companies, do not form part of this document.

## **Information not contained in this Prospectus**

No person has been authorised to give any information or make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been so authorised. Neither the delivery of this Prospectus nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Future since the date of this Prospectus or that the information in this Prospectus is correct as of any time subsequent to the date hereof.

## **Information regarding forward-looking statements**

This document (including the information incorporated by reference) includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "anticipates", "targets", "aims", "continues", "expects", "intends", "may", "will", "would" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Future Group's and/or the Future Directors' intentions, beliefs or current expectations concerning, among other things, the Future Group's or the GoCo Group of companies' results, operations, financial condition, prospects, growth strategies and the markets in which the Future Group and/or the GoCo Group of companies operates. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements, including without limitation: conditions in the markets, the market position of the Future Group or the GoCo Group of companies, earnings, financial position, return on capital, anticipated investments and capital expenditure, changing business or other market conditions and general economic conditions. These and other factors could adversely affect the outcome and financial effects of the events described herein and the Future Group or the GoCo Group of companies. Forward-looking statements contained in this document based on these trends or activities should not be taken as a representation that such trends or activities will continue in the future. This section does not serve to qualify the working capital statement in paragraph 12 of Part 14 (*Additional Information*) of this document.

These forward-looking statements are further qualified by risk factors disclosed in this document that could cause actual results to differ materially from those in the forward-looking statements. See Part 1 (*Risk Factors*) of this document.

These forward-looking statements speak only as at the date of this document. Except as required by the Code, the Listing Rules, Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules and any applicable law, Future and/or the Future Directors, do not have any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, further events or otherwise. Except as required by the Code, the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules and any applicable law, Future and the Future Directors expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Future's and/or the Future Directors' expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this document might not occur. Investors should specifically consider the factors identified in this document which could cause actual results to differ before making an investment decision. Future Shareholders should note that the contents of these paragraphs relating to forward-looking statements are not intended to qualify the statements made as to the sufficiency of working capital in this document.

The statements above relating to forward-looking statements should not be construed as a qualification on the opinion as to working capital set out in paragraph 12 of Part 14 (*Additional Information*) of this document.

### PART 3—DIRECTORS, COMPANY SECRETARY AND ADVISERS

<b>Future Directors</b> . . . . .	Richard Huntingford ( <i>Chair</i> ) Zillah Byng-Thorne ( <i>Chief Executive Officer</i> ) Rachel Addison ( <i>Chief Financial Officer</i> ) Meredith Amdur ( <i>Independent Non-Executive Director</i> ) Mark Brooker ( <i>Independent Non-Executive Director</i> ) Hugo Drayton ( <i>Independent Non-Executive Director</i> ) Robert Hattrell ( <i>Independent Non-Executive Director</i> ) Alan Newman ( <i>Independent Non-Executive Director</i> )
<b>Proposed Future Director</b> . . . . .	Angela Seymour-Jackson ( <i>Independent Non-Executive Director</i> )
<b>Company Secretary</b> . . . . .	Rachel Addison
<b>Registered Office</b> . . . . .	Quay House The Ambury Bath BA1 1UA
<b>Sponsor, Joint Financial Adviser and Joint Broker</b> . . . . .	Numis Securities Limited 10 Paternoster Square London EC4M 7LT
<b>Joint Financial Adviser and Joint Broker</b> . . . . .	Goldman Sachs International Plumtree Court 25 Shoe Lane London EC4A 4AU
<b>Legal advisers to Future</b> . . . . .	Simmons & Simmons LLP CityPoint One Ropemaker Street London EC2Y 9SS
<b>Legal advisers to Joint Financial Advisers and Sponsor</b> . . . . .	Ashurst LLP London Fruit & Wool Exchange 1 Duval Square London E1 6PW
<b>Reporting Accountant</b> . . . . .	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
<b>Auditors of Future</b> . . . . .	PricewaterhouseCoopers LLP 2, Glass Wharf Bristol BS2 0FR
<b>Registrars</b> . . . . .	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZY

## PART 4—EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The dates and times set out in this expected timetable of principal events and mentioned throughout this document are indicative only and are based on Future's current expectations and may be subject to change (including as a result of changes to the regulatory timetable and/or the purposes of implementation of the Combination) and/or adjusted by Future, in which event details of the new times and dates will be notified to the FCA, the London Stock Exchange and, where appropriate, Future Shareholders through a Regulatory Information Service.

References to a time of day in this document are to London time unless otherwise stated.

<b>Event</b>	<b>Time and Date</b>
Publication of this document, the Circular and the Scheme Document . . . . .	14 December 2020
Latest time and date for receipt of forms of proxy for the Future General Meeting . . . . .	10.00 a.m. on 12 January 2021
Voting record time for the Future General Meeting . . . . .	6.30 p.m. on 12 January 2021
<b>Future General Meeting</b> . . . . .	10.00 a.m. on 14 January 2021
<b>GoCo Group Court Meeting</b> . . . . .	11.00 a.m. on 14 January 2021
<b>GoCo Group General Meeting</b> . . . . .	11.15 a.m. on 14 January 2021 <sup>(1)</sup>
<b>Scheme Hearing</b> . . . . .	a date expected to be in February or March 2021 subject to satisfaction or waiver of the relevant Conditions ("D") <sup>(2)</sup>
Last day of dealings in, for registration of, and disablement in CREST of, GoCo Group Shares . . . . .	D
Scheme Record Time . . . . .	6.00 p.m. on D
Suspension of trading in GoCo Group Shares . . . . .	7.30 a.m. on D+1
<b>Scheme Effective Date</b> . . . . .	D+1 <sup>(3)</sup>
New Future Shares issued to GoCo Group Shareholders . . . . .	D+2*
Admission and commencement of dealings in the New Future Shares on the London Stock Exchange . . . . .	By 8.00 a.m. on D+2*
Cancellation of listing, and trading in, of GoCo Group Shares . . . . .	By 8.00 a.m. on D+2*
CREST accounts of GoCo Group Shareholders credited with New Future Shares . . . . .	As soon as possible after 8.00 a.m. on D+2* but no later than 14 days of the Scheme Effective Date
Latest time for CREST accounts credited with any cash due under the Scheme . . . . .	Within 14 days of the Scheme Effective Date
Latest time for despatch of share certificates for New Future Shares and cheques for any cash due under the Scheme . . . . .	Within 14 days of the Scheme Effective Date
<b>Long Stop Date</b> . . . . .	28 May 2021 <sup>(4)</sup>

### Notes

- (1) To commence at the time fixed or, if later, immediately after the conclusion or adjournment of the GoCo Group Court Meeting.
- (2) The date of the Scheme Hearing to sanction the Scheme and each of the subsequent dates set out in the timetable will depend on, among other things, the date on which: (i) the relevant Conditions to the Scheme are satisfied or, if capable of waiver, waived; (ii) the Court sanctions the Scheme; and (iii) a copy of the Scheme Court Order sanctioning the Scheme is delivered to the Registrar of Companies.
- (3) Scheme to become Effective by 8.00 a.m. and before the subsequent events set out in this timetable.
- (4) This is the latest date by which the Scheme may become Effective. However, the Long Stop Date may be extended to such later date as may be agreed in writing by Future and GoCo Group (with the Panel's consent and as the Court may approve (if required)).
- (\*) All dates by reference to "D+1" and "D+2" will be to the date falling the number of indicated Business Days immediately after date D, as indicated above.

## PART 5—INDICATIVE COMBINATION STATISTICS

<b>Event</b>	<b>Time and Date</b>
Consideration to be paid for each GoCo Group Share .....	0.052497 New Future Share and 33 pence in cash for every 1 GoCo Group Share held
Number of Future Shares in issue as at Last Practicable Date ..	98,015,100
Number of New Future Shares to be issued pursuant to the Combination <sup>(1)</sup> .....	up to 22,941,199
New Future Shares as a percentage of Future's ordinary share capital in issue immediately following Admission <sup>(1)</sup> .....	18.97%
Number of Future Shares in issue immediately following Combination <sup>(1)</sup> .....	120,956,299
Total cash consideration to be paid pursuant to the Combination <sup>(1)</sup> .....	£144.2m

When admitted to trading, the New Future Shares will be registered with ISIN number GB00BYZN9041 and SEDOL number BYZN904, and trade under the symbol “FUTR”.

---

### **Note**

(1) These figures are calculated on the assumption that the number of Future Shares and GoCo Group Shares in issue and to be issued at the close of business on the Last Practicable Date do not change and that no issues of Future Shares other than the New Future Shares occur between the Last Practicable Date and Admission.

## PART 6—INFORMATION ON THE COMBINATION

### 1. Introduction

On 25 November 2020, the Future Board and the GoCo Group Board jointly announced that they had agreed the terms of a recommended combination of Future and GoCo Group. It is intended that the Combination will be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

### 2. The Combination

Under the terms of the Combination, which will be subject to the Conditions and the further terms and conditions which are set out in the Scheme Document, each GoCo Group Shareholder will be entitled to receive:

**for each GoCo Group Share:** **0.052497 New Future Shares**  
and  
**33 pence in cash**

Based on the closing price of a Future Share of 1,962 pence on 24 November 2020 (being the last Business Day before the date of the Announcement), the terms of the Combination represent:

- a value of 136 pence per GoCo Group Share;
- a premium of approximately 23.6% to the closing price of a GoCo Group Share of 110.0 pence on 24 November 2020 (being the last Business Day before the date of the Announcement); and
- a premium of approximately 32.1% to Three Month VWAP per GoCo Group Share (being 102.9422 pence as at close of business on the last Business Day before the date of the Announcement).

The exchange ratio of 0.052497 New Future Shares for each GoCo Group Share is calculated by reference to the Three Month VWAP per Future Share (being 1,885.8099 pence as at close of business on the last Business Day prior to the Announcement). Given the exchange ratio, Scheme Shareholders who hold fewer than 20 Scheme Shares at the Scheme Record Time will not receive any Future Shares and will only receive cash.

Based on the closing price of 1,832 pence per Future Share on the Last Practicable Date, the terms of the Combination represent:

- a value of approximately 129.2 pence per GoCo Group Share;
- a premium of approximately 25.5% to the Three Month VWAP per GoCo Group Share (being 102.9422 pence as at the close of business on the last Business Day prior to the Announcement); and
- a value of approximately £564.5m for the entire issued and to be issued share capital of GoCo Group.

The value of the consideration that GoCo Group Shareholders are entitled to receive includes both a fixed cash element and a New Future Share component, the value of which is variable.

Upon Completion, it is expected that Future Shareholders will own 81.03% of the Combined Group and GoCo Group Shareholders will own 18.97% of the Combined Group (based on the existing ordinary share capital of Future and the fully diluted share capital of GoCo Group) and will share in the benefits accruing to the Combined Group via the expected realisation of meaningful synergies.

The structure of the Combination and the Conditions relating to the Combination are summarised at paragraph 9 of this Part 6.

### 3. Background to and reasons for Future's offer

#### 3.1 Future's Strategy and Business Overview

Future is a leading global platform for specialist media, enabled by technology with scalable diversified revenue streams, underpinned by specialist brands and leading content. Its core purpose is to help people to do the things they want by sharing its knowledge and expertise. Future endeavours to create loyal communities and fans of its brands by giving them a place they want to spend their time and meet their needs. Over the last five years, Future has become a global leader in using content and technology to guide consumers down a purchase funnel and into a buying decision. This means addressing the attraction of a consumer to a product, informing them of choices and then assisting them in purchasing at the lowest available price. This is sometimes referred to as helping to drive “intent to purchase”.

Future's long-term strategy is to expand its global reach through organic growth, acquisitions and strategic partnerships.

The core part of the Future strategy is to develop new products ("spokes") and verticals ("wheels") which each drive diversified revenue growth. Products or "spokes in the wheels" help and inform the Future Group's audiences and are the core diversified revenue streams of the Future business. The main media revenue streams today are affiliate ecommerce transactions, digital advertising, lead generation, content subscriptions and events.

The Future platform is highly scalable enabling the development of new audience verticals. The largest verticals today include consumer technology, video gaming, home decor and improvements, and women's lifestyle brands. Delivering more "spokes" to more "wheels" is core to the Future strategy, providing Future with a diversified footprint, diversified verticals and diversified revenue streams.

Future's deep understanding of what matters to its audiences has been critical to the identification of new complementary adjacencies, including new verticals such as financial services, and deepening its existing products. As an expert in its chosen content verticals, traffic to the Future sites is what its management considers to be high "intent to purchase" which leads to higher monetisation of that traffic.

Each year, the Future Board reviews the long-term growth trends for the business and identifies adjacent markets which would be beneficial for Future to move into. This will take the form of either expanding an existing vertical through the addition of brands, moving into a new vertical (more "wheels") to create exposure to a new but adjacent market or adding a new capability which adds a new revenue stream (new "spokes in the wheels") which can be applied to Future's existing verticals.

In previous years, Future has identified new verticals for expansion such as sports, health and wellness, wine, family and TV entertainment which led to the acquisition of TI Media. In addition, opportunities in email marketing led to the acquisition of Smart Brief, opportunities in video and social platforms led to the acquisition of Barcroft Studios. The opportunity to move into lead generation in current verticals was also identified and led to the organic investment in Future's lead generation technology, Falcon. As outlined at Future's capital markets day on 6 February 2020, Future has previously identified financial services as an area of commercial opportunity, being a vertical with significant potential for both the current Future brands and opportunities for the development of new brands.

Acquisitions form part of Future's strategy by helping to capitalise on an opportunity identified to strengthen the Group's position in an existing vertical, add new verticals, or add new revenue streams. Acquisitions are categorised as tactical, operationally strategic or transformational and Future has pursued acquisitions in each of these categories over the last four years, with approximately one transformational deal per year.

The right acquisition for Future is one where it can create additional value while accelerating the delivery of its strategy (as outlined above). The acquisition of Purch is an example of the execution of this strategy as it brought scale to Future's US technology audience as well as adding to Future's proprietary digital advertising technology, resulting in incremental revenue opportunities both for the acquired assets and for Future's incumbent brands. The Future Board believes the same opportunities exist for GoCo Group within the Future portfolio, to generate new revenues both for the GoCo Group brands and also for the wider Future portfolio.

In addition to adding capability and content to the Future platform, Future targets businesses where it believes it can create unique additional value while also accelerating the strategy of the Future Group as a whole. Future uses insight, data and analytics to assess the opportunity to deliver value, considering amongst other factors:

- the ability to drive further growth;
- the ability to increase operating leverage;
- the quality and cultural fit of the people;
- the underlying IP within the business; and
- whether an acquisition meets the Future Group's returns criteria, including returns on invested capital ("ROIC")<sup>1</sup> and accretion to adjusted earnings per share, when factoring anticipated cost synergies only and before the impact of any revenue synergies.

The Future Board believes that GoCo Group meets all of the above criteria.

---

<sup>1</sup> ROIC is defined as the post-tax GoCo Group adjusted operating profit plus cost synergies, in each case as estimated by Future, divided by the GoCo Group fully diluted equity value (based on the headline price per GoCo Group Share) plus Future's estimate of the amount of GoCo Group financial net debt at completion.

Future's structured approach to acquisitions has resulted in a strong track record of successful mergers and acquisitions and post-acquisition integrations, including the acquisition of SmartBrief in 2019 and, earlier this year, the acquisition of TI Media. On 25 November 2020, as part of its full-year results presentation, Future announced it had completed seven acquisitions since January 2019, all of which were trading ahead of expectations.

Future is committed to carrying out the integration efforts in a manner consistent with its values and purpose, building on the expertise of both companies and all colleagues. The integration process is underpinned by the Future Group's robust and efficient technology stack which allows for acquisitions to be quickly integrated onto Future's media platform.

The Future Board believes that the Combination will create substantial value for both sets of shareholders and that there is a compelling strategic rationale for the Combination.

### **3.2 Future's Strategic Rationale for the Combination**

One of the ways in which Future currently helps its audiences is through its proprietary technology ("Hawk"), which provides consumers with the best prices on the best products to help them save money. Across a number of Future's brands, its editorial teams are already writing content focused on services (as distinct from products). To monetise this proposition, Future has been considering entering the price comparison website space for some time.

To test that price comparison for services is an addressable market, Future first introduced third party / white-labelled price comparison services on a number of its brand sites in 2017. This demonstrated that the opportunity was highly attractive and complementary.

Therefore, following the acquisition of TI Media, Future determined that the opportunity to add new capability into its revenue model, by moving further into intent, was the most appropriate longer term opportunity given the desire to ensure the momentum from the acquired TI Media brands can be fully delivered.

Following a detailed market study by Future, GoCo Group was identified as the best opportunity to do this. GoCo Group operates as a federated business with three distinct business units:

- Price Comparison—which includes one of the leading price comparison websites, GoCompare.com benefiting from a strong brand and consumer proposition, and also a B2B technology platform business, platform services.
- Autosaving—GoCo Group is also a leader in the fast-growing automated switching segment through its AutoSave division and LookAfterMyBills.com brand.
- Consumer Media Savings—MyvoucherCodes.co.uk, a voucher deals site that helps consumers find savings and discounts from a variety of different retailers and Pocket Your Pounds, a money saving site.

The digital content and price comparison space is rapidly evolving and the Combination is expected to create a unique opportunity to build a technology-led business that operates multiple leading brands, across a number of channels, that has a truly global reach, opening up near and longer term growth opportunities.

A core part of the strategy is to gain expertise in the UK which it can leverage to unlock a global opportunity. In the US, the market dynamics are such that a market for price comparison does not exist in the same way as it does in the UK. While there is an emerging market for content-led price comparison, the Future Board believes there is an opportunity to unlock the ability presented with GoCo Group, globally, reaching new customers online, helping consumers to find the relevant products for them and identify ways to save money online through specialist content providers that excel in converting consumers to purchase. For example, there are many similarities between the purchase funnel for identifying the right laptop and that for identifying the right credit card.

One element of Future's growth strategy is retaining key talent post acquisition, as this provides additional bench strength to the existing business, while ensuring no knowledge is lost in the integration. A core benefit from this transaction is that the founder of GoCompare.com, Lee Griffin, will continue in his role as CEO of GoCompare.com, while Alan Burns, the current CFO, will take on a new role within the Combined Group, and both roles will report into the Future CEO.

The Future Board believes that the Combination will significantly strengthen the Future Group's proposition of seeking to address the growing consumer demand for informed and value driven purchasing decisions enabled by intent driven content. The complementary content and price comparison offerings of the Combined Group

will more broadly be able to address a wider range of key purchasing decisions for consumers and help them save money.

The Future Board believes the Combination provides a truly unique opportunity to capitalise on the combination of Future's deep audience insight, GoCo Group's expertise in price comparison and the proprietary technology of both groups. In particular, the Combination is expected to result in the combination of GoCo Group's financial services expertise, proprietary technology and relationships with Future's expertise in creating a scalable platform with intent led content and audience acquisition.

The Future Board expects the Combination to result in a number of strategic advantages:

- creating a leading global specialist media platform that drives intent;
- adds key capabilities and adjacent routes to monetisation;
- substantially growing the addressable market, including geographical expansion;
- lower customer acquisition costs through combined expertise;
- enhanced proposition for advertisers and lead generation partners; and
- integrated technology platforms built for innovation, driving intent.

### **3.3 *Creating a leading global specialist media platform that drives intent***

Future seeks to satisfy its readers' passions and interests through insightful and entertaining content which includes high purchase intent categories such as product reviews and recommendations. Retailers benefit significantly from highly committed purchasers at the point of click through, enabling a high conversion rate as readers are at the end of their buying research journey. Consumers benefit significantly through access to relevant content and the ability to make better informed buying decisions.

GoCo Group's core ethos of helping consumers to save money through informed comparison of prices complements that of Future. GoCo Group's platform services price comparison technology ensures that consumers are able to compare prices across a range of services ranging from car insurance to broadband providers and home energy.

The Future Board expects the Combined Group to produce a leading offering for consumers: providing complementary insights that enable consumers to make informed choices in their passions, interests and key purchasing decisions, ensuring that through the combination of price comparison expertise and existing Future ecommerce technology ("Hawk") consumers can save money more easily.

Like many of Future's acquisitions over the past three years, the acquisition of GoCo Group is in line with Future's strategy to mix buying capability, brands and verticals. This strategy adds technology, brands and also new vertical expertise, such as adding new spokes in comparison services, adding new verticals in financial services while leveraging the existing operating model and platform to drive efficiencies with the GoCo Group.

### **3.4 *Adds key capabilities and adjacent routes to monetisation***

At the heart of Future's mergers and acquisitions strategy is the aim to expand the value of Future's platform by acquiring assets which bring a broad range of benefits to the wider group but where Future can also add value to the target through its expertise and technology. The Combination is in line with this strategy in bringing both a new capability to Future in the form of price comparison for services as well as expertise in a new content vertical, while Future's expertise in search engine optimisation and monetisation will bring significant benefits to GoCo Group.

As expert specialist media creators, Future is able easily to identify the most relevant adjacent markets to its current business. This ability to understand what is important to its audiences has led to the organic development of new brands at Future including Realhomes.com, DigitalCameraWorld.com and Bikeperfect.com, leveraging the Future Group's expertise in content and its technology stack.

This deep understanding has also resulted in the development of new revenue streams including; ecommerce affiliate marketing (through its "Hawk" tool) and lead generation (through its "Falcon" tool). Future's utilisation of its data and insight in relation to its audiences and partners enables it to design content, products and brands that will best meet the needs of its audiences and consumers.

Increasingly, specialist sites become a gateway for consumers to fulfil needs beyond just entertainment and provide all the relevant information to enable a reader to convert to a purchaser. As previously noted, the

Future Board believes that Future has been able to leverage its insights on its audiences to identify what topics might be of interest to Future's online audience and to inform decisions on the adjacent markets into which it should expand. From this research, Future had identified services ranging from broadband to insurance as a market which would be of interest to Future's audience.

The Combination brings capabilities, which Future currently does not have, to provide a benefit to its audiences. For example, with the benefit of the GoCo Group platform services technology, readers of realhomes.com making a decision on home improvements will also have access to relevant energy products and switching options within the same content, minimising friction for the reader and anticipating their purchasing needs. This type of content has been on the Future sites for some time but monetised through a third party partner.

The GoCo Group technology platform, coupled with its partner reach, would enable Future to offer a compelling range of options through its own proprietary technology to its audience to complement the content being consumed.

### ***3.5 Substantially growing the addressable market***

The Future Board expects the Combination to increase substantially GoCo Group's addressable market through leveraging content across Future's brands. For example, Marie Claire generates revenue equivalent to around 20% of the revenues of MyVoucherCodes, due to a more qualified and targeted market. The Combination is expected to add financial services expertise to Future's existing brands as a new content vertical.

The Combined Group will be able to address many of the key purchasing moments of consumers, at differing points in the purchase funnel, with the expert media content accessing users further up the purchase funnel than the traditional price comparison website business.

The Future Directors believe that together Future and GoCo Group represent a compelling consumer proposition with significant reach. Future's unique platform, global reach, and expertise in creating digital brands, content and audience acquisition, will be complementary to GoCo Group's existing brand strength and expertise in financial services—this will allow for the creation of new premium content alongside existing Future brands.

The Combined Group's brands currently reach over 398 million consumers every month, including 1 in 3 people in the US and UK, who the Combined Group is expected to be able to serve as it provides consumers with trusted, authoritative advice on their buying decisions at all stages of the purchase journey and enable them to maximise value in their purchases.

### ***3.6 Lower customer acquisition costs through combined expertise***

The Future Board expects the Combination to result in improved marketing efficiency based on a powerful technology platform and complementary expertise in all key marketing channels. The increased reach of the group and combined expertise in search engine optimisation, search engine marketing and customer relationship management is expected to deliver more cost-effective routes to market for both Future's and GoCo Group's existing brands.

Future's expertise in organic search is expected to provide GoCo Group with the ability to increase its highest margin customer acquisition channel, while Future's multi-brand strategy allows for the increased distribution of GoCo Group's price comparison product and technology.

Future expects to be able to improve the efficacy of the marketing spend resulting in an increase in revenue over the medium term. In addition, GoCo Group's advanced capabilities in predictive analytics for paid marketing provides an alternative route to market for some of Future's specialist content, B2B lead generation and intent led offers.

The combined marketing technology stack is expected to enable growth across all verticals through customer acquisition and retention from email marketing.

Future expects the Combination to result in increased customer retention through the creation of a leading customer relationship management team leveraging Future's expertise in increasing engagement and retention across B2B, email marketing and subscription retention with GoCo Group's AutoSave customer relationship management model.

### **3.7 Enhanced proposition for advertisers and lead generation**

GoCo Group operates in a closely related adjacent market to Future and the Future Board expects the confluence to create a powerful platform effect from a number of areas:

- high consumer engagement provides access to powerful first-party data which is expected to enhance Future's advertising proposition to vendors and partners;
- GoCo Group's innovations into subscription models is highly complementary to Future's online subscription proposition;
- Future's model of centres of excellence coupled with GoCo Group's technology innovations should enable the Combined Group to scale faster; and
- leveraging combined intent led data to improve the proposition for consumers, advertisers and partners is expected to provide greater commercial opportunities for the Combined Group. SmartBrief email technology and premium format provides opportunity to send email insight to engaged audiences while monetising through highly relevant endemic advertisers, for example, a Smarthome brief could be created for home savings and tips.

### **3.8 Integrated technology platforms built for innovation, driving intent**

The Future Board expects the Combination to result in complementary technology assets that are expected to provide a strong, integrated foundation for scale and growth, enabled by Future's existing tech platform and GoCo Group's platform services technology and pay-per-click bidding engine.

The ability to leverage GoCo Group's white label B2B GoDemand price comparison technology is expected to complement Future and provide savings to global audiences within the context of its trusted brands. For example, the GoDemand application programming interface would complement Tom's Guides (an existing Future site) and offer gadget insurance at the same time as consumers are considering what laptop to buy, so the Combined Group can help customers by offering solutions as to how best to protect the equipment.

The GoCo Group pay-per-click bidding engine, while already helping to enable decision making at GoCo Group, is expected to complement the lead generation business at Future allowing Future's search engine optimisation platform to reach the largest audiences as cost effectively as possible.

Following the Combination Future expects to reduce capital expenditure in the Combined Group through development efficiency and migrating the MyVoucherCodes business into the Future consumer platforms.

The migration of MyVoucherCodes as well as the GoCo Group content brands to Future's Vanilla website platform is expected to reduce complexity and increase engagement.

### **3.9 Cost synergies of approximately £10m which Future expects to create significant shareholder value**

The Future Board, having reviewed and analysed the potential synergies of the Combination, and based on its track record of successfully integrating acquisitions, is confident that as a direct result of the Combination, the Combined Group will generate attractive cost synergies and create additional shareholder value.

The Future Board believes that the Combination will generate recurring run-rate annual cost synergies of approximately £10m by the end of the financial year ended 30 September 2023. Assuming the Combination becomes Effective in the first quarter of calendar year 2021, approximately 27% of synergy run rate would be achieved in the financial year ended 30 September 2021, rising to 94% the following financial year and the remaining amount in the financial years ended 30 September 2023 and 2024.

These anticipated cost synergies will accrue as a direct result of the Combination and would not be achieved on a standalone basis. The potential sources of quantified cost synergies are in addition to any savings previously targeted and already underway by Future.

The constituent elements of these quantified cost synergies, which are expected to originate from the combined cost base of Future and GoCo Group, comprise:

- *Rationalisation of back office functions:* £7.6m of synergies from integrating GoCo Group's Board, senior executive roles and back office functions; and
- *Other overheads costs:* £2.4m of synergies from savings associated with the reduction in duplication across, technology spend, properties and third party advisors.

In achieving these cost synergies, the Future Board expects the Combined Group to incur aggregate cash implementation costs of approximately £4.7m, which are all expected to be one-off in nature and incurred in the financial year ending 30 September 2021 and the following financial year, assuming the Combination becomes Effective in the first quarter of 2021. The overall synergies of approximately £10m represent approximately 5% of the combined overheads cost base. The synergies identified above reflect both the beneficial elements and the relevant costs that will arise as a result of the Combination.

While Future has identified a number of potential material revenue opportunities, as outlined in the strategic rationale for the Combination, these have not been factored into the financial returns outlined above as they cannot be quantified for reporting at this time.

Aside from the one-off integration costs set out above, no disbenefits are expected to arise from the Combination.

The above constitutes the Quantified Financial Benefits Statement.

Further information on the bases of belief supporting the Quantified Financial Benefits Statement, including the principal assumptions and sources of information, is set out in paragraph 15 of Part 14 (*Additional Information*) of this document.

#### **4. Future Board's expected financial impact of the Combination**

##### **4.1 Attractive growth, margins and significantly cash generative**

The Future Board believes there are long term revenue growth opportunities as a result of the expected benefits of the platform effect: Future saw 53% year on year revenue growth for the financial year ended 30 September 2020 while GoCo Group announced year on year revenue growth of 13% for the 9 months ended 30 September 2020.

Given the strong margin profile and the expected operating scale efficiencies, the Combined Group is expected to be able to realise margin expansion opportunities through its scalable technology platform and operating leverage.

The Combined Group is expected to also have a highly cash generative profile as a technology led business with low capital intensity. In the financial year ending 31 December 2019, GoCo Group achieved an operating cash flow of £21.9m and, in the current financial year, Future has achieved an adjusted free cash flow of £96m. The Future Board does not anticipate any need for additional capital expenditure in order to deliver growth outside of the run rate of the two existing businesses. The Combined Group is also expected to be able to deliver economies of scale as a result of shared geographies, end-markets or technology needs.

In line with Future's acquisition criteria, the Future Board believes that there are material revenue opportunities as a result of the Combination. Conservatively, these have not been taken into account when assessing the Combination's accretive effect on ROIC and earnings per share. The most material of these opportunities is expected to be in relation to the opportunity to drive growth in audience which Future has been successful in doing in its online brands over the past three years.

Future's research has shown that GoCompare.com currently has strong domain authority in Google organic search. However, GoCompare.com ranks for less than half of the non-branded available key word terms and has the lowest number of ranking positions in the top 3 and top 10 in organic search in non-branded keywords. Importantly, improvements in organic search rankings are strong margin opportunities as, outside of the content costs, there are limited customer acquisition costs.

Future's media revenues in FY20 achieved a gross contribution margin of 86% as a result of negligible audience acquisition costs and high value content achieved through organic search. A large reason for the strength of this margin is Future's search expertise.

Future has identified additional opportunities to create service led content on its current portfolio and also to create a new vertical for financial services content through GoCo Group's existing brands, which include Pocket Your Pounds. Over the last few years Future has grown new "verticals" in cycling and homes, following the acquisition of new brands, these have grown to be material revenue and profit contributors, generating significant new income.

In addition, Future sees potential to deliver revenue opportunities through the MyVoucherCodes business following Completion (i.e. once it is within the Future portfolio). Voucher codes are a recently launched revenue stream at Future and are currently only being used on the Marie Claire UK brand through technology and voucher code agreements provided by a third party partner. In FY20, Marie Claire achieved the equivalent

of 20% of the revenue of MyVoucherCodes business through a sole UK brand, the margin on the revenue in Marie Claire was consistent with that seen in the Future media division due to the high volumes of traffic arriving via natural search as a result of the content-led approach, while the margin on the MyVoucherCodes business within the GoCo Group is approximately 24%. Central to Future's strategy is to provide operating leverage in the business through vertical integration in order to achieve an attractive and expanding margin. The addition of MyVoucherCodes provides the opportunity to achieve this goal.

#### **4.2 *Materially earnings enhancing and strong returns***

The Future Board expects the Combination to be immediately earnings per share accretive and materially earnings per share accretive (including expected recurring run-rate cost synergies) in the first full year following the Combination becoming Effective. The Future Board expects the Combination will deliver a ROIC ahead of Future's weighted-average cost of capital (including expected recurring run-rate cost synergies but not any revenue synergies) in the third full year following the Combination becoming Effective. Following the Combination, the Future Board expects to maintain Future's progressive dividend policy.

#### **4.3 *Enhanced scale and the opportunity to invest in organic and inorganic growth opportunities***

The Future Board expects the Combined Group to result in a significantly cash generative profile providing a platform for continued investment in a significant number of attractive organic and inorganic growth opportunities including value-enhancing acquisitions.

The Combined Group is expected to continue to have conservative leverage levels (measured as net debt to last twelve months adjusted EBITDA) and is expected to de-lever rapidly (below 1.5x Net Debt / LTM adjusted EBITDA) given the significantly cash generative profile. As a consequence, the Combined Group is expected to be well positioned to capitalise on future growth opportunities.

### **5. Future's strategic plans for GoCo Group's business**

#### **5.1 *Future strategic plans for GoCo Group***

The Future Board believes that the Combined Group provides a truly unique opportunity to capitalise on the Combination with Future's deep audience insight and GoCo Group's expertise in price comparison and associated proprietary technology. Future is excited to work with GoCo Group's management team to develop its offering and grow the value of the business, in particular to capitalise on the full set of opportunities presented. GoCo Group's financial services expertise, proprietary technology, and relationships will be complementary with Future's expertise in creating a scalable platform with intent led content and audience acquisition.

Future management sees significant upside potential in the Combination through substantially growing the addressable markets, lowering customer acquisition costs as a result of the Combined Group's expertise and creating a leading global specialist media platform.

Following the Combination becoming Effective, Future intends to combine the existing businesses and will initiate a detailed review of the operations of the Combined Group to assess how they can work most effectively and efficiently together. The detailed review will define the target operating structure for the Combined Group, including detailed project planning, integration planning scenarios and integration of key back office systems. Future intends to put in place four distinct integration phases (pre-completion, control integration, commercial preparation and realisation) as it has done with other acquisitions. Future also intends to integrate the whole of GoCo Group's business with no material impact on the employee headcount of the Combined Group. It is anticipated that GoCo Group would form a new vertical within the operating structure of the Group.

In respect of corporate and support functions, including the board and executive leadership team, where overlap and duplication does exist, it is intended that, following a detailed review of the options available, activities will be consolidated to support better the future strategy of the Combined Group (as provided in further detail below).

Future recognises the importance of maintaining and supporting an effective risk and compliance function, particularly within GoCompare.com, towards the GoCo Group's ongoing FCA compliance. Future has considered the existing GoCompare.com risk and compliance arrangements and does not plan to realise synergies through these functional areas that would relate to the GoCo Group's ongoing FCA compliance.

## 5.2 ***Governance***

The Combined Group will draw on the significant talent in both companies to optimise the benefits of the Combination for customers, shareholders and other stakeholders.

Following Completion it is intended that Angela Seymour-Jackson, an existing non-executive director of GoCo Group, will join the Future Board as a non-executive director. There are no other planned changes to the current composition of the Future Board. The remaining non-executive directors of GoCo Group are expected to resign as directors of GoCo Group upon the Scheme becoming Effective.

Following Completion, it is expected that Matthew Crummack will remain with the Combined Group for a brief transition period following the Combination becoming Effective before departing. Alan Burns, Chief Financial Officer of GoCo Group, will be appointed to a new role within the Combined Group.

The Combined Group will continue to prioritise its ESG agenda and is committed to achieving and maintaining high standards of corporate responsibility in its business activities.

## 6. **Directors, management, employees, pension schemes and locations**

### 6.1 ***Employees and management***

There are approximately 400 employees within the GoCo Group business, and Future has in the region of 1,500 full time employees in the UK and 460 employees in the US, with the UK combined workforce expected to be in the region of 1,900.

Future attaches great importance to the skill and experience of GoCo Group's management and employees and recognises their important contribution to what has been achieved by GoCo Group. Future places a high value on people and believes that retaining key staff within GoCo Group is of paramount importance. Future has given assurances to the Independent GoCo Group Directors that, following Completion, the existing contractual and statutory employment rights, including pension rights, of the management and employees of GoCo Group and its subsidiaries will be fully safeguarded in accordance with applicable law. Future's plans for GoCo Group do not involve any material change in the conditions of employment of GoCo Group's employees.

As part of the preparation of the Quantified Financial Benefits Statement, Future's initial analysis has identified that there is likely to be an opportunity to rationalise certain corporate overheads and support functions removing duplicate roles, including in the finance, HR, tech and IT leadership teams. There are a number of duplicated costs across the business, as well as differing IT & tech models that may also lead to efficiencies in aligning operating models.

Subject to the outcome of the detailed review of the integration options, it is intended that there will be a single figure percentage reduction in the Combined Group's headcount arising from addressing duplication across the Combined Group. At this stage, Future has not yet developed a proposal as to how such headcount reductions and restructuring would be implemented and will only be able to develop and implement such proposals once its review has been completed, which is expected to take up to twelve months following Completion. Future will only develop and implement such proposals once the detailed review and integration planning referred to above has been completed and discussions have been undertaken with the people concerned.

Future continues to be committed to embedding its values throughout the business, as it believes that businesses with strong cultures are the most successful—the Future culture is built around its employees and they have been the reason behind its success. Future, as with previous acquisitions, will take great care to ensure that new staff added as a result of the Combination are engaged and on-board with its values and aligned with its purpose.

### 6.2 ***Incentivisation and retention arrangements***

Future wishes to ensure strong business momentum through employee retention and will aim to ensure that all employees are fairly treated.

Future has agreed that it will implement a retention arrangement for GoCo Group's Chief Financial Officer, which is conditional on completion of the Combination.

GoCo Group may implement employee retention arrangements for key GoCo Group employees who are not GoCo Group directors on a discretionary basis, with an aggregate value up to £200,000 (the “**Retention Awards**”).

The arrangements relating to the Retention Awards prescribe that, to be eligible to receive payment in respect of the Retention Awards, the relevant employee must: (i) remain in the active employment of the GoCo Group of companies; and (ii) not be under notice to terminate such employment on the Scheme Effective Date. Where due, such payments will be payable, less deductions as required by law, in respect of a payment of £100,000 to an employee who is not a GoCo Group director, on the Scheme Effective Date; and in respect of any other payments under the Retention Awards, the earlier of (a) the June 2021 payroll and (b) the relevant termination date in the event of a termination by the GoCo Group of companies by way of redundancy.

GoCo Group's Chief Financial Officer will be entitled to receive a cash payment from Future totalling £100,000 as soon as practicable after the Scheme Effective Date, subject to completion of the Combination, GoCo Group ceasing to be listed on the London Stock Exchange and applicable leaver terms.

Other than as set out above, Future has not entered into, and has not had discussions on proposals to enter into, any form of incentivisation arrangements with members of GoCo Group's management.

### **6.3 Pension schemes**

GoCo Group also operates a defined contribution pension scheme. Future does not intend to make any changes to the current entitlements of employees who are members of GoCo Group's pension scheme and intends to make contributions to the scheme (or a new scheme which is equivalent, in all material respects) in accordance with the contracts of employment of relevant GoCo Group employees, applicable law and the constituent documents of the scheme (or of any such new scheme).

### **6.4 Locations of business, fixed assets and headquarters**

The Future Board recognises the importance of a global office network for the Combined Group and intends to retain GoCo Group's office in Newport.

Following the Combination, it is expected that the London corporate headquarters of GoCo Group will be merged with Future's and as a consequence GoCo Group's office in Soho will close. The Combined Group will retain offices in London at Paddington and Marsh Wall, Canary Wharf.

Other than the closure of GoCo Group's Soho office, Future has no plans to change the locations of business nor redeploy the fixed assets of GoCo Group.

### **6.5 Research and development**

Future values the investment GoCo Group has made into technology and the infrastructure and employee knowhow that is in place to maintain, create and enhance the existing product. Future believes that it is important for the long-term success of the business and for the enjoyment of the customer to maintain a competitive product and intends to invest in this area following Completion through the existing GoCo Group infrastructure.

Future does not expect the Combination to have a material impact on the research and development activities of either GoCo Group or Future.

### **6.6 Trading facilities**

GoCo Group is currently listed on the Official List and, as set out in paragraph 13 of this Part 6, a request will be made to the London Stock Exchange to cancel trading in GoCo Group Shares and de-list GoCo Group from the Official List and re-register it as a private company following the Combination becoming Effective.

## **7. Financing the Combination**

The cash consideration payable by Future under the terms of the Scheme will be approximately £144.2m.

The cash consideration payable by Future under the terms of the Combination will be funded through a new two year term credit facility of £215.0m provided via an amendment and restatement agreement dated 25 November 2020 to an existing revolving credit facility agreement originally dated 13 February 2019 (as amended) and made between, amongst others, Future as a borrower and a guarantor and HSBC Bank Plc, HSBC UK Bank Plc, National Westminster Bank Plc, NatWest Markets Plc and The Governor and Company of the Bank of Ireland as term facility lenders (the "**New Future Facility**"). The existing revolving credit facility agreement, as amended and restated by an amendment and restatement agreement dated 25 November 2020, also contains an existing £135.0m multi-currency revolving credit facility.

Further information on the New Future Facility is incorporated by reference into this document from paragraph 6.1 of Part 5 (*Additional Information*) of the Circular.

## 8. Offer-related arrangements

### 8.1 Confidentiality Agreement

Future and GoCo Group entered into a confidentiality agreement on 24 October 2020 pursuant to which each of Future and GoCo Group have undertaken to keep certain information relating to the other party confidential and not to disclose such information to third parties, except to the extent required for the purposes of considering, evaluating, advising on or furthering the Combination (the “**Confidentiality Agreement**”). The Confidentiality Agreement also includes obligations on Future (among others) not to acquire any GoCo Group Shares for a period of one year from 24 October 2020 unless it is in the context of the Combination or with the prior written consent of GoCo Group.

The obligations of each party under the Confidentiality Agreement will terminate on Completion or, in the event that the Combination does not complete, 24 October 2022.

### 8.2 Co-operation Agreement

GoCo Group and Future have entered into a co-operation agreement, pursuant to which GoCo Group and Future have agreed to certain undertakings to co-operate and provide each other with reasonable information, assistance and access in relation to the filings, submissions and notifications to be made in relation to these regulatory clearances and authorisations that are required in connection with the Combination (the “**Co-operation Agreement**”). GoCo Group and Future have also agreed to provide each other with reasonable information, assistance and access for the preparation of certain parts of the key shareholder documentation; and to co-operate in preparing and implementing appropriate proposals in relation to the GoCo Group Share Plans. Future has also given certain undertakings in relation to the Future General Meeting.

The Co-operation Agreement records Future and GoCo Group’s intention to implement the Combination by way of the Scheme, subject to Future’s right to switch to a Takeover Offer in certain circumstances.

The Co-operation Agreement shall be terminated with immediate effect in the following circumstances, among others: (i) if GoCo Group and Future so agree in writing; (ii) (upon notice by Future to GoCo Group) if a Condition becomes incapable of satisfaction or is invoked so as to cause the Combination not to proceed on or before the Long Stop Date; (iii) if the Combination is withdrawn or lapses in accordance with its terms and/or with the consent of the Panel (other than where such lapse or withdrawal is a result of the exercise of a right to switch to a Takeover Offer); (iv) if the Combination does not become Effective on or before the Long Stop Date (unless GoCo Group and Future otherwise agree in writing); (v) (upon notice by Future to GoCo Group) if the Independent GoCo Group Directors withdraw, adversely modify or adversely qualify their recommendation of the Combination or (vi) (upon notice by GoCo Group to Future) if the Future Board withdraws, adversely modifies or qualifies its recommendation that the Future Shareholders vote in favour of the Future Resolution or the Future Resolution is not passed by the Future Shareholders.

The Co-operation Agreement also contains provisions that will apply in respect of the GoCo Group Share Plans.

## 9. Structure of the Combination

It is intended that the Combination will be effected by means of the Scheme, which is a scheme of arrangement between GoCo Group and the Scheme Shareholders under Part 26 of the Companies Act, requiring Court approval to become Effective. Future reserves the right to elect to implement the Combination by way of a Takeover Offer (with the consent of the Panel and subject to the terms of the Co-operation Agreement).

The purpose of the Scheme is for Future to become the holder of the issued and to be issued ordinary share capital of GoCo Group. This is to be achieved by the transfer of the Scheme Shares to Future, in consideration for which the holders of Scheme Shares will receive a combination of the cash consideration and New Future Shares on the basis set out in paragraph 2 of this Part 6.

The Scheme Shares will be acquired by Future fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including, without limitation, 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 the Announcement.

The New Future Shares will be issued in registered form and will be capable of being held in both certificated and uncertificated form. Fractions of New Future Shares will not be allotted or issued pursuant to the Combination, and entitlements of Scheme Shareholders will be rounded down to the nearest whole number of New Future Shares. All fractional entitlements to New Future Shares will be aggregated and sold in the market as soon as practicable after the Combination becomes Effective. The net proceeds of such sale (after deduction of all expenses and commissions incurred in connection with the sale) will be distributed by Future in due proportions to Scheme Shareholders who would otherwise have been entitled to such fractions.

To become Effective, the Scheme must be approved by a majority in number of the holders of Scheme Shares voting at the GoCo Group Court Meeting, either in person or by proxy, representing at least 75% in value of the Scheme Shares voted. The GoCo Group Resolution must also be approved by the requisite majority or majorities at the GoCo Group General Meeting. The GoCo Group General Meeting will be held immediately after the GoCo Group Court Meeting. In addition, the Future Resolution must be approved (by Future Shareholders representing a simple majority of votes cast) at the Future General Meeting.

The Scheme will also be subject to the Conditions and further terms and conditions set out in the Scheme Document. These Conditions include, among other things:

- the FCA having given notice of its approval in writing under section 189(4) of FSMA or a decision notice to approve the acquisition subject to conditions under section 189(7) of FSMA, or the approval is deemed to have been given by virtue of section 189(6) of FSMA, in respect of any increase in or acquisition of control (as defined in section 181 of FSMA) of Gocompare.com Limited which would take place as a result of the Combination becoming effective;
- the Scheme being approved by the requisite majority of Scheme Shareholders at the GoCo Group Court Meeting and the GoCo Group Resolution being passed by the requisite majority of GoCo Group Shareholders at the GoCo Group General Meeting;
- the Future Resolution being passed by the requisite majority of Future Shareholders at the Future General Meeting;
- the Scheme being sanctioned by the Court (with or without modification but subject to any modifications being on terms acceptable to both GoCo Group and Future) by the Court and the delivery of a certified copy of the Scheme Court Order to the Registrar of Companies for registration; and
- the Scheme becoming Effective on or before the Long Stop Date or such later date (if any) as Future and GoCo Group may, with the consent of the Panel, agree and, if required, the Court may allow.

Once the necessary approvals from GoCo Group Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived, the Scheme requires sanction by the Court. The Scheme will only become Effective on delivery of the Scheme Court Order to the Registrar of Companies.

When the Scheme becomes Effective, it will be binding on all GoCo Group Shareholders, irrespective of whether or not they attended or voted at the GoCo Group Court Meeting or the GoCo Group General Meeting. If, however, the Scheme does not become Effective by the Long Stop Date, the Scheme will lapse and the Combination will not occur.

## **10. GoCo Group Share Plans**

Participants in the GoCo Group Share Plans will be contacted separately regarding the effect of the Scheme on their rights under the GoCo Group Share Plans and with the details of the arrangements applicable to them.

The Scheme will apply to any GoCo Group Shares which are unconditionally allotted, issued or transferred to satisfy the vesting or exercise of Awards under the GoCo Group Share Plans before the Scheme Record Time. Any GoCo Group Shares allotted, issued or transferred to satisfy the vesting or exercise of Awards under the GoCo Group Share Plans after the Scheme Record Time will, subject to the Scheme becoming Effective and the proposed amendments to the GoCo Group articles of association being approved at the GoCo Group General Meeting, be immediately transferred to Future in exchange for the same consideration as GoCo Group Shareholders will be entitled to receive under the Scheme.

## **11. Dividend policy and dividends**

The Future Group aims to pursue a progressive dividend policy whilst optimising value for shareholders by balancing returns to shareholders with investment in the business to support future growth and accordingly has a dividend policy which requires dividend cover to be at least four times earnings and cash. The Future Board

declared a dividend of 1.6 pence per share as a final dividend for the year ended 30 September 2020 payable on 16 February 2021 to all shareholders on the share register at close of business on 15 January 2021. Future's Employee Benefit Trust waives its entitlement to any dividends.

If, on or after the date of the Announcement, any dividend or other distribution is authorised, declared, made or paid in respect of GoCo Group Shares and with a record date on or prior to the Scheme Effective Date, Future reserves the right to reduce the consideration payable for each GoCo Group Share under the Combination to reflect the aggregate amount of such dividend or distribution. In such circumstances, GoCo Group Shareholders would be entitled to retain any such dividend or distribution authorised, declared, made or paid.

## **12. New Future Shares**

The New Future Shares will be issued in registered form and will be capable of being held in certificated and uncertificated form.

The New Future Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Future Shares in issue at the time the New Future Shares are issued pursuant to the Combination, including the right to receive and retain dividends and other distributions (if any), announced, declared, made or paid by reference to a record date falling on or after the Scheme Effective Date.

The New Future Shares will be issued free from all liens, charges, encumbrances and other third party rights and/or interests of any nature whatsoever.

## **13. De-listing and re-registration**

Prior to the Combination completing, applications will be made: (i) to the FCA (in its capacity as the UK Listing Authority) for the cancellation of the premium listing of the GoCo Group Shares on the Official List; and (ii) to the London Stock Exchange for the cancellation of trading of the GoCo Group Shares on the London Stock Exchange's Main Market for listed securities. It is expected that GoCo Group Shares will be suspended from 7.30 a.m. on the first Business Day after the Scheme Hearing. No transfers of GoCo Group Shares will be registered after such date. It is expected that cancellation will take effect at, or shortly after, 8.00 a.m. on the first Business Day after the Scheme Effective Date.

On the Scheme Effective Date, GoCo Group will become a wholly-owned subsidiary of Future and share certificates in respect of GoCo Group Shares will cease to be valid and entitlements to GoCo Group Shares held within the CREST system will be cancelled.

As soon as possible after the Scheme Effective Date, it is intended that GoCo Group will be re-registered as a private company limited by shares under the relevant provisions of the Companies Act.

## **14. Admission of, and commencement of dealings in, the New Future Shares**

Before the Combination completes, applications will be made to the FCA for the New Future Shares to be admitted to the premium listing segment Official List and to the London Stock Exchange for the New Future Shares to be admitted to trading on its Main Market for listed securities.

It is expected Admission will become effective and that unconditional dealings in the New Future Shares will commence on the London Stock Exchange at 8.00 a.m. on the first Business Day following the Scheme Effective Date.

No application has been made, or is currently intended to be made, by Future for the New Future Shares to be admitted to listing or trading on any other exchange.

## **15. Irrevocable undertakings and letter of intent**

Irrevocable undertakings to vote in favour of the Combination have been received in respect of an aggregate of 126,523,429<sup>2</sup> GoCo Group Shares, representing 30.00% of the issued share capital of GoCo Group as at the Last Practicable Date.

Such irrevocable undertakings include an irrevocable undertaking to vote in favour of the Scheme from Sir Peter Wood, the largest shareholder in GoCo Group, and its non-executive Chairman, in respect of 125,058,569 GoCo Group Shares representing 29.65% of the issued share capital of GoCo Group as at the Last Practicable

---

<sup>2</sup> Including the 89,415 GoCo Group Shares held by Zillah Byng-Thorne, which she is not entitled to vote at the GoCo Group Court Meeting.

Date. The irrevocable undertaking from Sir Peter Wood remains binding in the event of a competing offer for GoCo Group.

Sir Peter Wood has also, entered into a lock-up agreement with Future pursuant to which Sir Peter Wood has undertaken not to dispose of any New Future Shares issued to him under the terms of the Combination for a period of six months from the Scheme Effective Date and has given certain orderly market undertakings to Future in respect of any proposed disposals during the following six months.

Marlborough Special Situations Fund has given a letter of intent to vote in favour of the Scheme in respect of 15,000,000 GoCo Group Shares, representing 3.56% of the issued share capital of GoCo Group as at the Last Practicable Date.

Therefore, Future has received irrevocable undertakings and a letter of intent in respect of an aggregate of 141,523,429 GoCo Group Shares representing 33.56% of the issued share capital of GoCo Group as at the Last Practicable Date.

Irrevocable undertakings to vote in favour of the Future Resolution have been received in respect of an aggregate of 315,893 Future Shares from the Future Directors who hold Future Shares, representing 0.32% of the issued share capital of Future as at the Last Practicable Date.

## 16. Dilution

Following Completion, assuming the issue and allotment of all of the New Future Shares, this will result in Future's issued ordinary share capital increasing by 23.41% relative to the number of Future Shares in issue as at the Last Practicable Date. Immediately following Completion, former GoCo Group Shareholders will own 18.97% of the issued ordinary share capital of the Combined Group (based on the existing ordinary issued share capital of Future and the fully diluted share capital of GoCo Group).<sup>3</sup>

## 17. Pro Forma financial information

The unaudited pro forma financial information set out below has been prepared on the basis set out in the notes in section B of Part 12 (*Unaudited Pro Forma Financial Information of the Combined Group*) of this document to illustrate (i) the effect of the proposed Combination on the statement of net assets of the Future Group as if it had occurred on 30 September 2020, and (ii) the effect of the acquisition of TI Media and the Combination on the income statement of the Future Group for the financial year ended 30 September 2020 as if they had both taken place at the beginning of that financial year. In respect of the Combination, the unaudited pro forma income statement and unaudited pro forma statement of net assets include the financial results of GoCo Group as at and for the year ended 31 December 2019. In respect of the acquisition of TI Media, the unaudited pro forma income statement includes the financial results of TI Media for the pre-acquisition period from 1 October 2019 to 20 April 2020.

For the year ended 30 September 2020, on a pro forma basis, revenue would have been £589.1m, operating profit would have been £66.5m and as at 30 September 2020, pro forma net assets would have been £790.6m.

---

<sup>3</sup> Please see paragraph 16 of Part 14 (*Additional Information*) of this document for details of how the dilution statistics are calculated.

## PART 7—INFORMATION ON THE FUTURE GROUP

*Investors should read this Part 7 (Information on the Future Group) in conjunction with the information contained elsewhere in this Prospectus including Part 1 (Risk Factors) of this document. Where stated, financial information in this Part 7 (Information on the Future Group) has been extracted from Part 10 (Historical Financial Information of the Future Group) of this document.*

### Introduction

Future is a leading global platform for specialist media, driven by technology with scalable diversified revenue streams, underpinned by specialist brands and leading content. Its core purpose is to help people to do the things they want by sharing its knowledge and expertise, as a consequence Future has become a global leader in helping to drive “intent to purchase”.

### History

Future was founded by Chris Anderson in 1985 in England, with the publication of “Amstrad Action” magazine. Over the last 35 years Future has transformed into a multi-platform media business by entering into new markets and revenue streams both organically and via acquisition. It has also expanded geographically with operations in the US and Australia. As at November 2020 Future employs more than 2,000 people globally.

### Key principal activities

Future’s business comprises two divisions: “Media” and “Magazines”.

The Future Group’s high-growth media division consists of all revenue streams outside of magazines. This includes ecommerce, digital advertising, events, lead generation, email marketing and video production. It operates in a large number of verticals including technology, games and entertainment, photography & design, music, homes & gardens, knowledge & wellness, real life, women’s lifestyle, country lifestyle, and B2B. It operates numerous brands within each vertical, with many holding market leading positions, brands include TechRadar, PC Gamer, Tom’s Guide, Homebuilding & Renovating Show, GamesRadar, The Photography Show, Live Science, Android Central, Guitar World, MusicRadar, Space.com, NY TV Week, Tom’s Hardware, Cyclingnews.com, Born Different, Woman & Home, Living etc, My Imperfect Life, What to Watch, Gardening etc, Fit & Well and PetsRadar.

The Future Group’s digital advertising revenues are generated from first party sold, programmatic and content solutions. ecommerce revenues are where the Future Group receive a commission on sales made by its retail partners. Lead generation revenues are generated from Future Group matching its customers with the right product suppliers, for which they pay per lead. Events and integrated marketing revenue is generated from sponsorship and ticket sales to the Future Group’s consumer and B2B events, as well as events the Future Group hold for their advertising partners as part of creative solutions. The Future Group’s email marketing revenue streams are primarily generated from email newsletters which are monetised through advertising and fees from the Future Group’s B2B partners.

The Future Group’s media division drives significant growth within its business as it focuses on delivering its content digitally. This growth is underpinned by the Future Group’s scalable technology stack which allows the business to accelerate online growth through its ecommerce technology “Hawk”, advertising technology “Hybrid”, lead generation technology “Falcon”, email newsletter technology, as well as its common web platform “Vanilla”. Additionally, the acquisition of Barcroft Studios in November 2019 added an important new product to Future’s media division of video production and advertising video on demand monetisation.

The magazine division focuses on publishing specialist content, with 115 magazines and over 400 bookazines published per year, totalling global circulation of 3.8m. The magazine portfolio spans technology, games, music, photography & design, knowledge & wellness, homes & gardens, sports, TV & film, women’s interest and B2B. Its titles include Classic Rock, Guitar Player, FourFourTwo, Homebuilding & Renovating, Digital Camera, Guitarist, How It Works, Total Film, What Hi-Fi?, ProCycling and Music Week. The Future Group’s portfolio of magazines was significantly increased with the acquisition of TI Media in April 2020, which added a number of heritage brands including Woman & Home, Horse & Hound, Country Life and Decanter.

The Future Group’s magazines are exported to many countries in addition to being sold in the UK on the newsstand and through subscription. The Future Group also licenses its magazines, with a total of 96 regular frequency licensing agreements across 28 countries. Future’s in-house creative services agency “Fusion” also

sits within the magazine division and creates content and strategy for brands that want to power up their own channels with effective content.

## Strategy

For details of the Future Group's strategy in relation to the Combination, please refer to paragraph 5 of Part 6 (*Information on the Combination*) of this document.

Future is a leading global platform for specialist media, enabled by technology with scalable diversified revenue streams, underpinned by specialist brands and leading content. Its core purpose is to help people to do the things they want by sharing its knowledge and expertise. As a consequence of this purpose, Future has become a global leader in helping to drive “intent to purchase”.

To ensure that its business model is truly diversified the Future Group's strategy of diversification is focused on three distinct elements: globally; divisionally; and vertically. It is the combination of these three elements that drives its diversification strategy, as Future are able to capitalise on all opportunities and win across all areas. Alongside this is the Future Group's diversified business model, which it continues to build on in order to meet its audience's needs in whichever way required. Future call this the “Future Wheel”. The Future Wheel serves its audiences through online, events, print and video, ensuring that it provides its content in the most useful way possible.

Future has a robust and scalable tech stack making it simple for the Future Group to grow brands by adding new revenue streams. The Future Group also focuses on making its content as monetisable as possible by focusing on reusable content, such as from magazine to online content and content that can be easily translated to other geographies.

The core part of the Future strategy is to develop new products and verticals which each drive diversified revenue growth. Products or “spokes in the wheels” help and inform the Future Group's audiences and are the core diversified revenue streams of the Future business. The main monetisable media products today are affiliate ecommerce transactions, digital advertising, lead generation, content subscriptions and events.

The Future platform is highly scalable enabling the development of new audience verticals (“wheels”). The largest verticals today include consumer technology, video gaming, home decor and improvements, and women's lifestyle brands. Delivering more “spokes” to more wheels is core to the Future strategy, providing Future with a diversified footprint, diversified verticals and diversified revenue streams. Future's deep understanding of what matters to its audiences has been critical to the identification of new complementary adjacencies, including new verticals like Finance and Insurance and deepening its existing comparison products. As an expert in its chosen content verticals, traffic to the Future sites is what management consider to be high “intent to purchase” which leads to higher monetisation of that traffic.

For the financial year ending 30 September 2020, Future had revenue of approximately £339.6m and adjusted operating profit of approximately £93.4m, including organic revenue growth of 6%, leading to an increase of 57% on an adjusted diluted earnings per share basis.

## Current trading and prospects

Since 1 October 2020 the Future Group has benefited from ongoing momentum from the organic business as well as from acquisitions.

Future Group's online audience continues to show strong growth, which was underpinned by the recently successful Amazon Prime Day in October. Future is meeting the ongoing challenges of the COVID-19 pandemic through a three-pronged approach focusing on its employees, clients and stakeholders as it considers how to lessen the impact to its business.

The strength of Future Group's performance in the financial year ending 30 September 2020 combined with its long-term fundamentals of growing global digital advertising spend and ecommerce growth add to Future's confidence that, despite market uncertainty, it remains well-positioned to continue its strong growth.

Future Group's diversified strategy continues to offset the impacts of the ongoing macro uncertainty, and, as a result, the positive trends it has seen in the financial year ending 30 September 2020 are expected to continue in the financial year ending 30 September 2021.

## **Recent developments**

In November 2019, Future acquired TV and digital video production company Barcroft Studios for £23.4m. Alongside their portfolio of video brands, which includes Born Different and Hooked on the Look, Barcroft Studios produces high-end television for broadcasters and streaming services including Netflix, Channel 4, BBC, National Geographic and Discovery Network. Their viral content is also watched globally on Facebook Watch, Snapchat, MSN and Amazon. The acquisition has opened up new avenues of growth and creative expertise. This was Future's first acquisition of a company that specialises in video, giving it plentiful opportunities to learn and create video content for Future brands and monetise its social channels. Additionally, the acquisition has brought Future a core demographic of mobile-savvy 16-34-year-olds and has enhanced its audience reach globally, plus opened up lucrative partnership opportunities with world-leading broadcasters, streaming platforms and networks.

On 30 October 2019, Future announced its intention to acquire UK-based publisher TI Media Limited, for a consideration of £140m. After completing a review with the Competition & Markets Authority Future completed on the acquisition in April 2020. TI Media is a UK-based, print-led consumer magazine and digital publisher with deep industry heritage and a portfolio that incorporates 38 brands including: Decanter; Country Life; Homes&Gardens; and Woman & Home. TI Media has brought to Future a presence in the wine, golf, equestrian, country living, TV listings, women's lifestyle and gardening verticals, and has deepened and extended Future's strength and position in home, cycling and country sports. The acquisition has presented significant opportunities to grow the TI Media brands globally, particularly in the US, and enhance their online revenue streams, including harnessing their intent traffic through ecommerce. The integration of TI Media has now completed.

In October 2020, Future acquired US TV, film and entertainment website CinemaBlend for \$12.75m (approximately £9.9m). CinemaBlend provides a platform for enthusiasts and casual fans to discover, explore, and discuss films and TV shows. Its website, podcast series, social media channels, and newsletters cover the full breadth of streaming services such as Netflix and linear TV such as HBO. It expands Future's reach in its TV, film, games, and entertainment verticals, particularly in the US. CinemaBlend complements the growth of Future's recently-launched WhatToWatch.com by establishing a strong market position, as well as enabling collaboration, content sharing and new expertise. CinemaBlend presents opportunities to further diversify online revenue streams via Future's proprietary technology platform. This includes "Hawk", Future's price comparison technology that helps consumers find the best deals in the market, and Hybrid, Future's leading advertising technology.

Future has invested £50m in content creation, with editorial headcount now accounting for 46% of Future Group's total workforce.

## **Recent launches**

The Future Group has launched a number of new activities including eight new launches this financial year, many of which are in new verticals introduced by the TI Media acquisition. The eight websites consist of:

- Two new B2B websites: NextTV.com, a new B2B website focused on video streaming; and Techandlearninguniversity.com, a go to resource for higher education technology news, reviews, and insights;
- Advnture.com: a new outdoor leisure and sports website combining the content from Future's cycling portfolio and the range of sports brands acquired with TI Media;
- Myimperfectlife.com: a new launch in the women's lifestyle sector targeted at younger women;
- Whattowatch.com: a website about film and television programming & streaming hardware building on the content & expertise arising from the TI Media acquisition and MONA acquisition;
- Fitandwell.com: a new launch into the wellness market, building on the fitness content and editorial expertise gained with TI Media acquisition;
- Gardeningetc.com: a new launch into the gardening market, encompasses content from Future's homes portfolio and building on the homes and gardens content and editorial expertise gained with TI Media acquisition; and
- Petsradar.com: a new launch into the pets market.

## PART 8—INFORMATION ON THE GOCO GROUP OF COMPANIES

*Investors should read this Part 8 (Information on the GoCo Group of companies) in conjunction with the information contained elsewhere in this Prospectus, including Part 1 (Risk Factors) of this document. Where stated, financial information in this Part 8 (Information on the GoCo Group of companies) has been extracted from Part 11 (Historical Financial Information of the GoCo Group of companies) of this document.*

GoCo Group operates a number of savings websites in the UK, including one of the leading price comparison websites, benefiting from a strong brand and consumer proposition, in addition to being a leader in the fast-growing automated switching segment. GoCo Group was launched by a team of insurance comparison experts in November 2006 with the ambition of helping customers to make better informed purchasing decisions. GoCo Group has been listed on the London Stock Exchange since November 2016 following its demerger from esure Group plc. In its financial year ended 31 December 2019, GoCo Group reported revenue of £152.4m and adjusted operating profit of £26.5m while for the six-month period ended 30 June 2020 it reported revenue of £82.8m and adjusted operating profit of £11.1m.

In its financial year ended 31 December 2019, GoCompare.com recorded 26.6 million customer interactions and the GoCo Group of companies recorded an average of 5 million visits per month across all its websites and, due to the nature of its sites, these visits typically represent high purchase intent traffic. In aggregate, GoCo Group's business helped consumers to save approximately £1 billion over the course of 2019. The GoCo Group business has remained resilient during the COVID-19 pandemic and successfully adapted to home working for the majority of its employees.

The GoCo Group business is underpinned by a proprietary technology platform, “SaveStack”, which is GoCo Group's core price comparison engine. In addition, GoCo Group also has a white label price comparison engine driven by its GoDemand technology which can be licensed to third parties.

GoCo Group operates three main brands: GoCompare.com a leading price comparison site; LookAfterMyBills.com, an energy automated switching site and Myvouchercodes.co.uk, a voucher deals site. A summary of GoCo Group's core brands is set out below.

- Price comparison—GoCo Group operates a leading UK price and product comparison website, GoCompare.com, which attracts approximately 3.8 million visits per month. GoCompare.com offers a free online service that is designed to save consumers money by comparing prices on products, primarily within its core financial services vertical. GoCompare.com compares products across more than 50 verticals, in its core insurance verticals, it compares over 240 partner brands. It does not accept advertising or sponsored listings and is not tied to any particular product provider. The price comparison business earns revenue by charging a commission to its partners on conversion of a GoCo Group generated product quote and represented 91% of total GoCo Group revenue in its financial year ended 31 December 2019.
- “AutoSave”—GoCo Group's automated switching proposition, LookAfterMyBills.com, is focused on the large proportion of UK consumers that do not regularly use price comparison sites to pro-actively switch service providers. The AutoSave business had approximately 600,000 live customers as at 30 September 2020 and continues to see strong customer number growth. Due to the subscription model, over the long term the cost of acquiring these customers is lower than in the core price comparison business due to strong customer retention and lower marketing costs. AutoSave represented 5% of total GoCo Group revenue in its financial year ended 31 December 2019. GoCo Group acquisition of Lookaftermybills.com completed in July 2019.
- Rewards—MyVoucherCodes is a digital media and affiliate marketing specialist connecting people with money-saving offers from the world's leading brands. MyVoucherCodes offers consumers savings on a range of necessary and discretionary spending, particularly retail, travel and recreation. With over 2,500 brands on its platform, MyVoucherCodes is one of the UK's leading destinations for free vouchers, discounts and deals and each week over 4 million subscribers receive its newsletters with offers across fashion, restaurants, electronics, travel, beauty and among other areas. MyVoucherCodes represented 4% of total GoCo Group revenue in its financial year ended 31 December 2019.

### Current trading and prospects

On 23 October 2020, GoCo Group announced its trading update for the 9 months ended 30 September 2020 in which it reported revenue was up 13% to £130.5m over the same period in 2019 (£115.7m). GoCo Group reported that the revenue growth was driven by exceptional growth in AutoSave. AutoSave live customer

numbers grew to 597,000 at 30 September 2020 an increase of 115,000 in three months and a growth of 148% since 30 September 2019 (241,000).

GoCo Group also reported that its price comparison segment had delivered underlying revenue growth (which excludes travel insurance comparison sales) of 7% year-to-date aided by a significant improvement in car insurance where growth has been ahead of the market, and despite the impact of COVID-19, strong underlying progress had been made across digital channels in Rewards. GoCo Group concluded that its business model continued to be highly cash generative with a reduction of net debt in the three months to 30 September 2020.

The GoCo Group Board is confident in delivering its expectations for the full year, subject to no further material impacts from COVID-19.

### **Recent developments and trends**

The GoCo Group of companies continued to remain resilient during the COVID-19 pandemic with the majority of employees continuing to work from home with no impact to business operations. The GoCo Group of companies has not called on government assistance schemes relating to employment or loans.

Price comparison achieved a record month for sales in car insurance in September 2020 through a combination of higher customer conversion and retention, supported by its innovative £250 excess proposition. Other insurance products, such as home, have shown improved performance thanks to customer experience enhancements, partly offsetting travel which remains negligible due to COVID-19.

A new television advertising campaign for the GoCo Group brand was launched in October 2020 with strong uplifts in ad brand awareness and brand preference which has generated a positive halo across all of GoCo Group's products.

### **Regulation**

In relation to certain business conducted by the price comparison website of Gocompare.com Limited, a GoCo Group subsidiary, Gocompare.com Limited is authorised and regulated in the UK by the FCA to carry on insurance distribution activities and credit brokerage activities.

#### *UK authorised firm*

Some of the key regulatory requirements that authorised persons in the UK are obliged to comply with are set out in the FCA Handbook. The FCA Handbook contains a number of sourcebooks that set out its rules. The most relevant sourcebooks for the regulated business of Gocompare.com Limited are: the Principles for Businesses (“PRIN”); the Threshold Conditions (“COND”); the Supervision sourcebook (“SUP”); the Senior Management Arrangements, Systems and Controls Sourcebook (“SYSC”); the Insurance: Conduct of Business sourcebook (“ICOBS”); and the Prudential sourcebook for Mortgage and Home Finance Firms, and Insurance Intermediaries (“MIPRU”).

PRIN sets out the high-level Principles for Businesses that Gocompare.com Limited with which it is obliged to comply. These principles include, among other things, conducting business with integrity, the maintenance of adequate risk management systems, treating customers fairly and communicating with customers in a manner that is clear, fair and not misleading.

COND sets out the threshold conditions that Gocompare.com Limited which it must comply satisfy at all times. These conditions relate to matters including the adequacy of a firm's financial and other resources and whether a firm is a fit and proper person to conduct its regulated activities, having regard to all the circumstances (including whether the firm's affairs are conducted soundly and prudently).

The ICOBS rules that apply to Gocompare.com Limited regulate the day-to-day conduct of business standards that it must observe in carrying on regulated activities. Generally speaking, these rules include the need to provide clients with certain information about the firm and appropriate information about policies, ensure that promotional materials which it produces are clear, fair and not misleading, manage conflicts of interest, and have in place claims and complaint handling practices.

The rules in MIPRU set out the solvency requirements for insurance intermediaries. The rules require senior managers and directors to take responsibility for an insurance intermediary's affairs, and include a general solvency requirement and a requirement to maintain capital resources calculated in accordance with the rules and guidance in MIPRU.

SYSC sets out the rules that require Gocompare.com Limited to organise and control its business responsibly and effectively, with adequate risk management systems. Among these rules, SYSC contains the rules which

require Gocompare.com Limited to take reasonable care to establish and maintain effective systems and controls governing outsourcing arrangements, compliance and risk management, conflicts of interest, and financial crime. Key parts of SYSC relating to insurance distribution include the rules on professional knowledge and competence and good reputations requirements for general insurance contracts. These rules apply broadly to include employees involved in and managers responsible for insurance distribution as well as those responsible for supervising employees involved in insurance distribution and to appointed representatives and their employees involved in their principal's insurance distribution activities.

SYSC also sets out part of the senior management and certification regime ("SMCR") with which Gocompare.com Limited must comply. The SMCR regime sets out rules to ensure that responsibility for proper organisation of the business is given to specific, competent individuals, and to ensure that certain individuals take direct, practical responsibility for the organisation of the regulated elements of the business. Under the SMCR regime, Gocompare.com Limited must ensure compliance with certification, fitness and propriety, conduct rules (in Code of Conduct in the FCA Handbook), and senior management requirements.

SUP sets out the supervisory principles and rules with which Gocompare.com Limited must comply relating to the day-to-day relationship between, among others, the FCA, firms, certain individuals within firms, and firms' appointed representatives. There are a number of recordkeeping requirements in SUP and the key ones relate to the records of appointed representatives, persistency reports, and data reports. SUP also contains an important part of the SMCR, including rules on obtaining the pre-approval of individuals to carry out senior management functions from the FCA and on the documentation of the responsibilities of such senior management functions.

In addition to ensuring its compliance with regulatory requirements described above, Gocompare.com Limited must also ensure the compliance of its appointed representatives with the FCA rules applicable to regulated activities carried out on its behalf

#### *UK regulated firm*

There have been a number of recent key political and regulatory developments that have impacted on the sectors in which the GoCo Group of companies operates, including insurance and energy. In particular, the FCA has recently published a number of statements, guidance, and reports relevant to Gocompare.com Limited's regulated insurance distribution activities.

In November 2019, the FCA published its finalised guidance on the general insurance distribution chain for insurance product manufacturers and distributors. The finalised guidance addresses the potential harm to customers from product development and distribution. In relation to distributors, the finalised guidance stressed that distributors should ensure that the remuneration they received does not conflict with their duty to comply with the customer's best interest rule. Compliance with this guidance, requires firms to continually monitor their distribution arrangements and act if they become aware of situations resulting in consumer harm.

In May 2020, the FCA published guidance for regulated firms operating in the insurance and premium finance markets, including insurance intermediaries, on assisting certain customers experiencing or reasonably expecting to experience temporary financial difficulties due to circumstances arising from COVID-19. The FCA subsequently published updated guidance and additional measures on this topic in August 2020 and October 2020. The guidance, in essence, requires firms to consider what options they can provide to affected customers and if there are steps that can be taken to deliver a fair outcome to the customer, in light of their changed circumstances.

In June 2020 the FCA published guidance setting out its expectations for insurers and insurance intermediaries to carry out a review of the value of their products in light of the circumstances arising from COVID-19. Where firms identify something that could materially affect the value of a product, the guidance requires firms to consider the appropriate action to take. Although the FCA does not mandate any specific actions, it does expect firms to be able to demonstrate how they have met their obligations at a product level and treated their customers fairly. Firms should have completed this review for all of their products and decided on any resulting actions by 3 December 2020.

In September 2020, the FCA issued a 'Dear CEO' letter to intermediary firms setting out the key risks posed by insurance intermediaries to consumers and the market. Among other things, the letter identified customers buying unsuitable or poor value products the market, poor governance and oversight, and incentive arrangements that do not support a healthy culture as the key drivers of harm. The letter asked firms to consider the extent to which the risks identified in the letter exist in their business and assess strategies to reduce those risks.

In September 2020, the FCA released its final report on general insurance pricing alongside a consultation paper, in which it proposed new rules which would outlaw the so-called “loyalty penalty” and require firms to offer a renewal price no higher than the equivalent new business price for that customer through the same sales channel. The consultation period is open until 25 January 2021 and final rules are expected in the second quarter of 2021. In the same press release, the FCA published a policy statement on general insurance value measures reporting and publication. The policy statement set out the requirements for firms to report and publish value measures on policies, claim, and complaints for most types of general insurance products coming into force from July 2021.

In November 2020, the FCA issued a ‘Dear CEO’ letter to price comparison websites (“PCWs”) outlining their supervision strategy. The letter notes that overall this sector has responded well to the challenges posed by coronavirus (COVID-19) and, so far, has been able to adapt rapidly to the operational demands of home working and in responding to consumers’ changing needs and also noted the five key harms that PCWs pose to their customers and the markets in which they operate, including consumer being sold unsuitable products, poor operational controls, ineffective governance arrangements and poor firm culture. The letter stated that PCWs are expected to review the harms identified and take steps to reduce the risk of these harms occurring.

In addition, in relation to the energy sector, the implications of the energy price cap continued to shape the market through 2020.

## PART 9—CAPITALISATION AND INDEBTEDNESS

### Capitalisation and indebtedness of Future Group

The capitalisation and indebtedness information set out below has been extracted without material adjustment from Future Annual Report 2020.

	As at 30 September 2020 (£m)
<b>Total current debt</b>	
Secured . . . . .	(6.0)
Unguaranteed/unsecured . . . . .	(7.8)
<b>Total</b> . . . . .	<b>(13.8)</b>
The above includes £6m that relates to property leases following the adoption of IFRS 16 <i>Leases</i> . These are not included within the Future Group's financial statement definition of Net Debt as they are not included in the calculation of Net Debt for the Future Group's bank covenants.	
<b>Total non-current debt (excluding current portion of long-term debt)</b>	
Secured . . . . .	(18.7)
Unguaranteed/unsecured . . . . .	(73.6)
<b>Total</b> . . . . .	<b>(92.3)</b>
The above includes £18.7m that relates to property leases following the adoption of IFRS 16 <i>Leases</i> . These are not included within the Future Group's financial statement definition of Net Debt as they are not included in the calculation of Net Debt for the Future Group's bank covenants.	
<b>Shareholders equity</b>	
Share capital . . . . .	14.7
Share premium . . . . .	197.0
Other reserves <sup>(1)</sup> . . . . .	162.1

(1) Other reserves excludes Retained Earnings

The following table sets out Future Group's net financial funds as at 30 September 2020.

	As at 30 September 2020 (£m)
<b>Cash</b>	
Cash and cash equivalents . . . . .	19.3
<b>Total Liquidity</b> . . . . .	<b>19.3</b>
<b>Current financial receivable</b>	
Current bank debt . . . . .	(7.8)
Lease liability due within one year . . . . .	(6.0)
<b>Current financial debt</b> . . . . .	<b>(13.8)</b>
<b>Net current financial indebtedness</b> . . . . .	<b>5.5</b>
Non-current bank loans . . . . .	(73.6)
Lease liability due in more than one year . . . . .	(18.7)
<b>Non-current financial indebtedness</b> . . . . .	<b>(92.3)</b>
<b>Net financial funds</b> . . . . .	<b>(86.8)</b>

The above includes £6.0m (current financial debt) and £18.7m (non-current financial debt) that relates to property leases following the adoption of IFRS 16 *Leases*. These are not included within the Future Group's financial statement definition of Net Debt as they are not included in the calculation of Net Debt for the Future Group's bank covenants. The Future Group's net debt position excluding these items was £62.1m at 30 September 2020.

There have been no material changes in Future Group's indebtedness position since 30 September 2020.

## **PART 10—HISTORICAL FINANCIAL INFORMATION OF THE FUTURE GROUP**

The audited consolidated financial statements of Future for the year ended 30 September 2020, included in the Future Annual Report 2020, together with the auditors' report thereon and notes thereto, is incorporated by reference into this Prospectus as set out in Part 15 (*Information Incorporated by Reference*) of this document and is available for inspection as set out in paragraph 17 of Part 14 (*Additional information*) of this document.

The consolidated financial statements were prepared in accordance with IFRS issued by the IASB as adopted by the EU. The consolidated financial statements were audited by PwC and the audit report for the financial year was unqualified. PwC is a firm of chartered accountants registered with the Institute of Chartered Accountants in England and Wales.

## PART 11—HISTORICAL FINANCIAL INFORMATION OF THE GOCO GROUP OF COMPANIES

### Section A—Selected historical financial information of GoCo Group

The selected financial information for GoCo Group set out below has been extracted without material adjustment from the historical financial information of GoCo Group incorporated by reference as set out in section B of this Part 11 (*Historical Financial Information of the GoCo Group of Companies*). Investors should read the whole of this document and the information incorporated by reference herein and not rely solely on the summarised financial information contained in this Part 11 (*Historical Financial Information of the GoCo Group of Companies*).

#### Consolidated income statement

	Six months ended 30 June 2020	Year ended 31 December 2019
	(£m, unaudited)	(£m, audited)
Revenue . . . . .	82.8	152.4
Adjusted operating profit <sup>(1)</sup> . . . . .	11.1	26.5
Amortisation of acquired intangibles . . . . .	(2.0)	(3.2)
Integration, restructuring and other corporate costs . . . . .	(0.9)	(2.3)
Transaction costs . . . . .	—	(0.6)
Foundation Award share-based payment charges . . . . .	—	(0.2)
Reassessment of deferred contingent consideration . . . . .	(0.5)	0.1
Operating profit . . . . .	7.7	20.3
Net finance costs . . . . .	(1.6)	(4.1)
Share of loss of associate . . . . .	—	(0.4)
Profit before tax . . . . .	6.1	15.8
Tax charge . . . . .	(1.3)	(3.1)
Profit for the period/year . . . . .	<u>4.8</u>	<u>12.7</u>

Notes:

(1) Adjusted operating profit represents operating profit, after adding back amortisation of acquired intangibles, transaction costs, other exceptional corporate costs, fair value changes in deferred contingent consideration and Foundation Award share-based payment charges. See above for a reconciliation to the nearest IFRS line item.

#### Consolidated balance sheet

	As at 30 June 2020	As at 31 December 2019
	(£m, unaudited)	(£m, audited)
<i>Assets</i>		
Total non-current assets . . . . .	75.3	76.1
Total current assets . . . . .	43.8	36.5
<b>Total assets</b> . . . . .	<b><u>119.1</u></b>	<b><u>112.6</u></b>
<i>Equity and liabilities</i>		
<b>Total equity</b> . . . . .	<b>(2.8)</b>	<b>(6.4)</b>
Total non-current liabilities . . . . .	86.7	87.7
Total current liabilities . . . . .	35.2	31.3
<b>Total liabilities</b> . . . . .	<b><u>121.9</u></b>	<b><u>119.0</u></b>
<b>Total equity and liabilities</b> . . . . .	<b><u>119.1</u></b>	<b><u>112.6</u></b>

## Summary consolidated cash flow statement

	Six months ended 30 June 2020	Year ended 31 December 2019
	(£m, unaudited)	(£m, audited)
Net cash generated from operating activities . . . . .	10.6	21.9
Net cash used in investing activities . . . . .	(7.0)	(16.0)
Net cash used in financing activities . . . . .	(3.5)	(6.4)
<b>Net increase/(decrease) in cash and cash equivalents . . . . .</b>	<b>0.1</b>	<b>(0.5)</b>
Cash and cash equivalents at beginning of year . . . . .	11.4	11.9
<b>Cash and cash equivalents at end of year . . . . .</b>	<b>11.5</b>	<b>11.4</b>

## Section B—Historical financial information relating to GoCo Group

The audited consolidated financial statements of GoCo Group for the financial year ended 31 December 2019 included in the GoCo Group Annual Report and Accounts 2019, together with the auditors' reports thereon and the notes thereto and the GoCo Group Interim Results 2020, are incorporated by reference into this document as set out in Part 15 (*Information Incorporated by Reference*) of this document and available for inspection as set out in paragraph 17 of Part 14 (*Additional Information*) of this document.

Each of these consolidated financial statements was prepared in accordance with IFRS as adopted by the EU. The consolidated financial statements of GoCo Group for the financial year ended 31 December 2019 were audited by KPMG LLP and the audit report for each such financial year was unqualified. KPMG LLP is a firm of chartered accountants registered with the Institute of Chartered Accountants in England and Wales.

## PART 12—UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE COMBINED GROUP

### Section A—Accountants’ report on the Unaudited Pro Forma Financial Information



**pwc**

The Directors  
Future plc  
Quay House  
The Ambury  
Bath  
BA1 1UA

Numis Securities Limited  
10 Paternoster Square  
London  
EC4M 7LT

14 December 2020

Dear Ladies and Gentlemen

#### **Future plc (the “Company”)**

We report on the pro forma financial information (the “**Pro Forma Financial Information**”) set out in section B of Part 12 of the Company’s prospectus dated 14 December 2020 (the “**Prospectus**”).

This report is required by item 11.5 of Annex 3 to the PR Regulation and section 3 of Annex 20 to the PR Regulation and is given for the purpose of complying with that PR Regulation and for no other purpose.

#### **Opinion**

In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

#### **Responsibilities**

It is the responsibility of the directors of the Company to prepare the Pro Forma Financial Information in accordance with item 11.5 of Annex 3 to the PR Regulation and sections 1 and 2 of Annex 20 to the PR Regulation.

It is our responsibility to form an opinion, as required by item 11.5 of Annex 3 to the PR Regulation and section 3 of Annex 20 of the PR Regulation as to the proper compilation of the Pro Forma Financial Information and to report our opinion to you.

No reports or opinions have been made by us on any financial information of the GoCo Group or TI Media used in the compilation of the Pro Forma Financial Information. In providing this opinion we are not providing any assurance on any source financial information of the GoCo Group or TI Media on which the Pro Forma Financial Information is based beyond the above opinion.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information of the Future Group used in the compilation of the pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed at the date of their issue.

*PricewaterhouseCoopers LLP, 1 Embankment Place, London, WC2N 6RH*  
T: +44 (0) 2075 835 000, F: +44 (0) 2072 124 652, [www.pwc.co.uk](http://www.pwc.co.uk)

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under item 5.3.2R(2)(f) of the Prospectus Regulation Rules to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 1.3 of Annex 3 to the PR Regulation, consenting to its inclusion in the Prospectus.

### **Basis of preparation**

The Pro Forma Financial Information has been prepared on the basis described in the notes to the Pro Forma Financial Information, for illustrative purposes only, to provide information about how the proposed combination with GoCo Group might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial statements for the year ended 30 September 2020.

### **Basis of Opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent in accordance with the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

### **Declaration**

For the purposes of Prospectus Regulation Rule PRR 5.3.2 R (2)(f) we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 3 of the PR Regulation.

Yours faithfully

PricewaterhouseCoopers LLP

Chartered Accountants

## **Section B—Unaudited Pro Forma Financial Information**

The unaudited pro forma statement of net assets set out below has been prepared on the basis set out in the notes below and to illustrate the impact of the Combination on the consolidated net assets of the Future Group.

The unaudited pro forma statement of net assets is based on the consolidated net assets of the Future Group as at 30 September 2020 and the net assets of GoCo Group as at 30 June 2020 and has been prepared on the basis that the Combination had taken place on 30 September 2020.

The unaudited pro forma income statement set out below has been prepared on the basis set out in the notes below and to illustrate the effect of the acquisition of TI Media and the Combination on the income statement of the Future Group for the financial year ended 30 September 2020 as if they had both taken place at the beginning of that financial year. In respect of the acquisition of TI Media the unaudited pro forma income statement includes the financial results of TI Media for the pre-acquisition period from 1 October 2019 to 20 April 2020. In respect of the Combination the unaudited pro forma income statement includes the financial results of GoCo Group for the year ended 31 December 2019.

The unaudited pro forma statement of net assets and unaudited income statement (together the “**Unaudited Pro Forma Financial Information**”) has been prepared in a manner consistent with the accounting policies adopted by the Future Group for the year ended 30 September 2020, and in accordance with Sections 1 and 2 of Annex 20 to the PR Regulation.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only, and because of its nature, addresses a hypothetical situation. It does not purport to represent what the Future Group’s financial position or results of operations would have been if the acquisition of TI Media and proposed combination with GoCo Group had been completed on the dates indicated, nor does it purport to represent the financial position at any future date. It does not reflect the results of any purchase price allocation exercise in respect of GoCo Group as this will be conducted following the Combination. The adjustments in the Unaudited Pro Forma Financial Information are expected to have a continuing impact on the Future Group, unless otherwise stated.

The Unaudited Pro Forma Financial Information does not constitute financial statements within the meaning of Section 434 of the Companies Act. Investors should read the whole of this document and not rely solely on the summarised financial information contained in this Part 12 (*Unaudited Pro Forma Financial Information of the Combined Group*). PwC’s report on the Unaudited Pro Forma Financial Information is set out in Section A of this Part 12 (*Unaudited Pro Forma Financial Information of the Combined Group*).

**Unaudited Pro Forma Statement of Net Assets**

	Consolidated net assets of the Future Group as at 30 Sept 2020	Consolidated net assets of GoCo Group as at 30 June 2020	Subtotal	Acquisition costs and related adjustments	Total
	Note 1	Note 2	£'m	Note 3	£'m
<b>Non-current assets</b>					
Property, plant and equipment . . . . .	20.9	4.6	25.5	—	25.5
Intangible assets—goodwill . . . . .	309.7	37.2	346.9	577.2	924.1
Intangible assets—other . . . . .	183.9	31.3	215.2	—	215.2
Investments . . . . .	—	1.3	1.3	—	1.3
Deferred tax . . . . .	1.0	0.9	1.9	—	1.9
<b>Total non-current assets</b> . . . . .	<b>515.5</b>	<b>75.3</b>	<b>590.8</b>	<b>577.2</b>	<b>1,168.0</b>
<b>Current assets</b>					
Inventories . . . . .	0.7	—	0.7	—	0.7
Corporation tax recoverable . . . . .	1.7	0.9	2.6	—	2.6
Trade and other receivables . . . . .	72.4	30.6	103.0	—	103.0
Cash and cash equivalents . . . . .	19.3	11.5	30.8	(22.6)	8.2
Finance lease receivable . . . . .	1.6	—	1.6	—	1.6
<b>Total current assets</b> . . . . .	<b>95.7</b>	<b>43.0</b>	<b>138.7</b>	<b>(22.6)</b>	<b>116.1</b>
<b>Total assets</b> . . . . .	<b>611.2</b>	<b>118.3</b>	<b>729.5</b>	<b>554.6</b>	<b>1,284.1</b>
<b>Non-current liabilities</b>					
Financial liabilities—interest-bearing loans and borrowings . . . . .	73.6	79.2	152.8	54.2	207.0
Lease liabilities due in more than one year . . . . .	18.7	2.8	21.5	—	21.5
Deferred tax . . . . .	2.5	3.5	6.0	—	6.0
Provisions . . . . .	5.1	0.4	5.5	—	5.5
<b>Total non-current liabilities</b> . . . . .	<b>99.9</b>	<b>85.9</b>	<b>185.8</b>	<b>54.2</b>	<b>240.0</b>
<b>Current liabilities</b>					
Financial liabilities—interest-bearing loans and borrowings . . . . .	7.8	3.0	10.8	88.3	99.1
Trade and other payables . . . . .	116.2	24.9	141.1	—	141.1
Lease liabilities due within one year . . . . .	6.0	0.6	6.6	—	6.6
Deferred consideration . . . . .	—	5.8	5.8	—	5.8
Provisions . . . . .	—	0.9	0.9	—	0.9
<b>Total current liabilities</b> . . . . .	<b>130.0</b>	<b>35.2</b>	<b>165.2</b>	<b>88.3</b>	<b>253.5</b>
<b>Total liabilities</b> . . . . .	<b>229.9</b>	<b>121.1</b>	<b>351.0</b>	<b>142.5</b>	<b>493.5</b>
<b>Net Assets</b> . . . . .	<b>381.3</b>	<b>(2.8)</b>	<b>378.5</b>	<b>412.1</b>	<b>790.6</b>

## Notes to the pro forma statement of net assets

1. The Future Group's net assets as at 30 September 2020 has been extracted, without material adjustment, from the consolidated balance sheet of the Future Group included in the Future Annual Report 2020, incorporated by reference in this document as set out in Part 15 (*Information incorporated by Reference*) of this document.
2. GoCo Group's net assets as at 30 June 2020 have been extracted, without material adjustment, from the Consolidated Balance sheet of GoCo Group included in the GoCo Group Interim Results 2020 incorporated by reference in this document as set out in Part 15 (*Information Incorporated by Reference*) of this document. GoCo Group's balance sheet as at 30 June 2020 has been reformatted to correspond with the Future Group's balance sheet presentation (see note 5) below.
3. Acquisition costs and related adjustments comprise the following:
  - (a) The cash outflow reflects £22.6m of transaction costs (being £9.1m in respect of the GoCo Group of companies and £13.5m in respect of the Future Group), including stamp duty, costs associated with issuing consideration shares and debt arrangement fees of £2.5m.
  - (b) The Future Group will account for the Combination as an acquisition under IFRS by applying the purchase method. Under this method the cost of the acquisition is the aggregate of the fair values, at the Combination date, of the assets and liabilities acquired. The identifiable assets and liabilities of GoCo Group will be measured initially at fair value at the Combination date. The excess of the cost of the acquisition over the net fair value of the identifiable assets and liabilities is recognised as goodwill. A fair value exercise to allocate the purchase price will be completed following Completion; therefore, no account has been taken in the pro forma of any fair value adjustment that may arise on the Combination.

The consideration of £564.5m will be payable in cash and shares. The total consideration payable and the calculation of the adjustment to goodwill is set out below:

	£'m
Cash consideration . . . . .	144.2
Equity consideration . . . . .	<u>420.3</u>
<b>Total consideration . . . . .</b>	<b>564.5</b>
Net liabilities of GoCo Group as at 30 June 2020, after adjusting for transaction costs of £9.1m and writing off debt issue costs of £0.8m . . . . .	12.7
<b>Pro forma incremental goodwill . . . . .</b>	<b>577.2</b>

The equity consideration is based on issuing 22,941,199 New Future Shares at a value of 1,832 pence per New Future Share at the closing price of a Future Share on the Last Practicable Date.

- (c) £215m of acquisition finance in the form of long term debt has been agreed. This has been reflected in the pro forma statement of net assets net of issue costs of £2.5m. This will be used to fund the cash consideration of £144.2m with the balance of £70.8m used to repay GoCo Group's net debt as at the date of Completion. For the purposes of this pro forma statement of net assets, debt repayments already made by GoCo Group since 30 June 2020 have not been reflected, and hence the pro forma total liabilities include £12.2m of GoCo Group debt that would still have been outstanding had the transaction completed as of 30 June 2020.

The total adjustment to current and non current debt reflected above therefore consists of:

	Current £'m	Non-current £'m	Total £'m
New debt drawn down . . . . .	80.0	135.0	215.0
Less: debt issue costs . . . . .	(0.9)	(1.6)	(2.5)
Less: Glasgow debt repaid (£70.8m less deferred issue costs of £0.8m) . . . . .	(3.0)	(67.0)	(70.0)
Reclassify remaining portion of Glasgow debt to current . . . . .	12.2	<u>(12.2)</u>	<u>—</u>
<b>Total adjustment . . . . .</b>	<b>88.3</b>	<b>54.2</b>	<b>142.5</b>

4. In preparing the unaudited pro forma statement of net assets no account has been taken of the trading or transactions of the GoCo Group of companies since 30 June 2020 or the Future Group since 30 September 2020.
5. The GoCo Group of companies' balance sheet conforms with the Future Group's presentation with the exception of certain debt issue costs totalling £0.8 which the GoCo Group of companies has included in trade and other receivables but which the Future Group net against the related debt balance. A reclassification has therefore been made as follows:

	£'m
Trade and other receivables as presented by GoCo Group .....	31.4
Reclassification of debt issue costs .....	<u>(0.8)</u>
Trade and other receivables as presented by the Future Group .....	<b>30.6</b>
Non-current financial liabilities—interest bearing and loans and borrowings as presented by GoCo Group .....	80.0
Reclassification of debt issue costs .....	<u>(0.8)</u>
Non-current financial liabilities—interest bearing and loans and borrowings as presented by the Future Group .....	<b>79.2</b>

### Unaudited Pro Forma Income Statement

	Adjustments for the TI Media acquisition				Adjustments for the Combination		
	Income statement of the Future Group for the year ended 30 September 2020	Add TI Media results from 1 October 2019 to 20 April 2020	TI Media acquisition costs and related adjustments	Subtotal	Income statement of GoCo Group for the year ended 31 December 2019	Acquisition costs and related adjustments	Total
	Note 6	Note 7	Note 8	£'m	Note 9	Note 10	£'m
<b>Revenue</b> .....	339.6	97.1	—	436.7	152.4	—	589.1
Net operating expenses .....	<u>(288.9)</u>	<u>(90.4)</u>	<u>(0.7)</u>	<u>(380.0)</u>	<u>(132.1)</u>	<u>(10.5)</u>	<u>(522.6)</u>
<b>Operating profit/(loss)</b> .....	50.7	6.7	(0.7)	56.7	20.3	(10.5)	66.5
Finance income .....	8.1	0.3	—	8.4	—	—	8.4
Finance costs .....	<u>(5.3)</u>	<u>(7.9)</u>	<u>6.2</u>	<u>(7.0)</u>	<u>(4.1)</u>	<u>(2.3)</u>	<u>(13.4)</u>
<b>Net finance income / (costs)</b> .....	<u>2.8</u>	<u>(7.6)</u>	<u>6.2</u>	<u>1.4</u>	<u>(4.1)</u>	<u>(2.3)</u>	<u>(5.0)</u>
Other income / (expense) .....	<u>(1.5)</u>	<u>(0.1)</u>	<u>—</u>	<u>(1.6)</u>	<u>(0.4)</u>	<u>—</u>	<u>(2.0)</u>
<b>Profit before tax</b> .....	<b>52.0</b>	<b>(1.0)</b>	<b>5.5</b>	<b>56.5</b>	<b>15.8</b>	<b>(12.8)</b>	<b>59.5</b>
Tax (charge) / credit .....	<u>(7.7)</u>	<u>0.2</u>	<u>(1.2)</u>	<u>(8.7)</u>	<u>(3.1)</u>	<u>0.4</u>	<u>(11.4)</u>
<b>Profit/(loss) for the year attributable to owners of the parent</b> .....	<u>44.3</u>	<u>(0.8)</u>	<u>4.3</u>	<u>47.8</u>	<u>12.7</u>	<u>(12.4)</u>	<u>48.1</u>

#### Notes:

6. The income statement of the Future Group has been extracted, without material adjustment, from the Future Group's audited, consolidated income statement included in the Future Annual Report 2020, incorporated by reference in this document as set out in Part 15 (*Information Incorporated by Reference*) of this document.
7. The acquisition of TI Media was completed on 20 April 2020 and therefore the income statement of the Future Group includes the results of TI Media from this date only. Adjustment has been made to add the results of TI Media for the period from 1 October 2019 to 20 April 2020. These results have been extracted from the management information of TI Media for that period and adjusted from UK GAAP to IFRS to conform with the Future Group's accounting policies, the only material adjustment being the elimination of goodwill amortisation. These results include revenue and net operating expenses of £7.9m

and £8.4m respectively relating to closed and divested titles and subsidiaries that are not reflective of the continuing TI Media business.

8. Adjustments have been made to reflect the TI Media acquisition as follows:
  - net operating expenses include an increase in the level of amortisation of intangible assets of £0.7m recognised (in addition to existing amortisation of acquired intangibles included within the TI Media results) from 1 October 2019 to 20 April 2020 reflecting amortisation of the assets recognised as part of the Future Group's purchase price allocation exercise;
  - the reduction in financing costs of £6.2m represent lower interest costs as a result of the TI Media debt being settled by Future on acquisition and being replaced by a combination of equity financing and debt with a lower interest rate, for the period from 1 October 2019 to 20 April 2020; and
  - a corresponding tax effect of £1.2m has also been recognised in respect of the above adjustments as the additional amortisation of intangible assets is not expected to be tax deductible.
9. GoCo Group's income statement for the year ended 31 December 2019 has been extracted, without material adjustment, from the Consolidated Income statement of GoCo Group included in the GoCo Group Annual Report and Accounts 2019 incorporated by reference in this document as set out in Part 15 (*Information Incorporated by Reference*) of this document. GoCo Group's income statement for the year ended 31 December 2019 has been reformatted to correspond with the Future Group's presentation (see note 12) below.
10. Adjustments have been made to reflect the proposed Combination as follows:
  - net operating expenses include transaction costs of £10.5 expected to be incurred in relation to the Combination. These costs are not expected to be incurred on an on-going basis in the Future Group. No tax benefit has been assumed for these transaction costs;
  - finance costs of £2.3m represent interest costs on the additional debt finance that will be used to fund the Combination. A corresponding tax effect of £0.4m has also been recognised in respect of the above adjustments as the transaction costs are not expected to be tax deductible.

Following the combination, as set out in note 3(b) above, the Future Group will perform an exercise to allocate the purchase price to identified assets and liabilities, which will include any intangible assets subject to amortisation.

The related annual amortisation charge of those assets will result in a reduction to operating profit and earnings per share in future periods. As the purchase price allocation exercise has not yet been undertaken, no account has been taken in the pro forma income statement of any additional amortisation charges that may arise following the Combination.

11. In preparing the pro forma income statement no account has been taken of the trading or transactions of GoCo Group since 31 December 2019 or of the Future Group since 30 September 2020.
12. The following table shows a reconciliation of GoCo Group's income statement to conform with the Group's presentation.

GoCo Group's income statement (as reported)	£'m	GoCo Group's income statement presented under Future Group's income statement line items	£'m
Revenue . . . . .	152.4	Revenue . . . . .	152.4
Cost of sales . . . . .	(43.5)		
Distribution costs . . . . .	(46.0)		
Administrative expenses . . . . .	(42.6)		
	(132.1)	Net operating expenses . . . . .	(132.1)
Operating profit . . . . .	20.3	Operating profit . . . . .	20.3
Finance income . . . . .	—	Finance income . . . . .	—
Finance costs . . . . .	(4.1)	Finance costs . . . . .	(4.1)
Share of loss of associate . . . . .	(0.4)	Other income/(expense) . . . . .	(0.4)
Profit before income tax . . . . .	15.8	Profit before tax . . . . .	15.8
Income tax expense . . . . .	(3.1)	Tax charge / (credit) . . . . .	(3.1)
Profit for the year . . . . .	12.7	Profit/(loss) for the year attributable to owners of the parent . . . . .	12.7

## PART 13—TAXATION

The tax legislation of England and Wales and the tax legislation of the jurisdiction of prospective investors may have an impact on the income received from the Future Shares.

### 1. United Kingdom taxation

The following is a general guide to certain limited aspects of the UK tax treatment of the New Future Shares, and acquiring, holding and disposing of the New Future Shares and does not purport to be a complete analysis of all the potential UK tax considerations relating thereto. The comments set out below do not constitute tax advice and are based on current UK tax law as applied in England and Wales and HMRC's published practice (which may not be binding on HMRC) as at the date of this document, both of which are subject to change, possibly with retrospective effect.

It applies only to GoCo Group Shareholders (a) who are resident for tax purposes in the UK at all relevant times and, in the case of individuals, to whom "split year" treatment does not apply and who are domiciled for tax purposes only in the UK (except in so far as express reference is made to the treatment of non-UK residents); (b) who hold their shares in GoCo Group (and subsequently any shares in Future) as an investment (other than in an individual savings account or a self-invested personal pension); and (c) who are the absolute beneficial owners thereof ("UK Holders").

The discussion does not address all possible tax consequences relating to an investment in any relevant shares. Certain categories of shareholders, including those carrying on certain financial activities (including market makers, brokers, dealers, intermediaries and persons connected with depository arrangements or clearance services), those subject to specific tax regimes or benefiting from certain reliefs and exemptions, those connected with GoCo Group or Future, and those for whom the shares are employment-related securities may be subject to special rules and this summary does not apply to such shareholders.

Shareholders or prospective shareholders who are resident or otherwise subject to taxation in a jurisdiction outside the UK, or who are in any doubt about their tax position, should consult their own professional advisers immediately.

### 2. Taxation of chargeable gains

#### 2.1 *Introduction*

Under the Scheme, UK Holders will be entitled to receive in respect of each GoCo Group Share held at the Scheme Record Time:

- 0.052497 New Future Shares; plus
- 33 pence in cash.

The tax treatment of each UK Holder under the Scheme for the purposes of the UK taxation of chargeable gains will depend on the individual circumstances of that UK Holder and on the form of consideration received.

#### 2.2 *UK Holders receiving New Future Shares under the Scheme*

To the extent that a UK Holder receives New Future Shares in exchange for his or her (or its) GoCo Group Shares and does not hold (either alone or together with persons connected with him or her (or it)) more than 5 per cent of, or of any class of, shares in GoCo Group, that UK Holder will not be treated as having made a disposal of GoCo Group Shares. Instead, the New Future Shares should be treated as the same asset as those GoCo Group Shares, and as acquired at the same time and for the same consideration as those shares.

UK Holders who, alone or together with connected persons, hold more than 5 per cent of, or of any class of shares in GoCo Group may be eligible for the treatment described in the preceding paragraph only if the transaction is effected for bona fide commercial reasons and not for tax avoidance purposes pursuant to section 137 of the Taxation of Chargeable Gains Act 1992 ("TCGA"). Such UK Holders are advised that a clearance has been sought from HMRC under section 138 of the TCGA that section 137 will not apply to prevent the treatment described in the preceding paragraph but a response has not yet been received from HMRC.

### 2.3 *Apportionment of base cost*

A UK Holder's base cost in his or her (or its) GoCo Group Shares should be apportioned between the two components of the consideration received by that UK Holder by reference to the respective market values of the New Future Shares and cash received by him or her (or it) under the Scheme as at the Scheme Effective Date.

## 3. **Tax treatment of holdings of New Future Shares**

### 3.1 *Withholding tax*

Future will not be required to deduct or withhold any amount in respect of tax imposed by the UK from dividends paid to shareholders in respect of their New Future Shares.

### 3.2 *Dividends on New Future Shares*

#### *UK resident individual shareholders*

All dividends received by a UK Holder who is an individual in respect of the New Future Shares will form part of that shareholder's total income for income tax purposes and will constitute the top slice of that income. A nil rate of income tax will apply to the first £2,000 of taxable dividend income received by that shareholder in the 2020-21 tax year and subsequent years.

Where an individual shareholders' total dividend income is above that nil rate dividend allowance, that individual shareholder will not be subject to tax on dividend income above the allowance to the extent that, treating that income as the top slice of the shareholder's income, that income would be within that individual's personal allowance. Any amount in excess of the nil rate allowance and the personal allowance (if applicable) will be taxed at the relevant rate. The rates are 7.5 per cent to the extent that the excess amount falls within the basic rate tax band, 32.5 per cent to the extent that the excess amount falls within the higher rate tax band and 38.1 per cent to the extent that the excess amount falls within the additional rate tax band.

#### *Other shareholders*

Dividends paid by Future to UK Holders who are subject to UK corporation tax and are not "small" for these purposes should fall within one or more of the classes of dividend qualifying for exemption from corporation tax, although the exemptions are not comprehensive and are also subject to anti-avoidance rules. Such shareholders should consult their own professional advisers.

### 3.3 *Future disposal of New Future Shares*

A subsequent disposal of New Future Shares by UK Holders may, depending on their individual circumstances (including the proportion of the UK Holder's base cost in his or her (or its) holding of GoCo Group Shares apportioned to the New Future Shares received by him or her (or it) under the Scheme as set out in paragraph 2.3 of this Part 13 (*Taxation*) and the availability of any exemptions, reliefs and allowable losses), give rise to a liability to UK tax on chargeable gains.

## 4. **UK Stamp Duty and SDRT**

No UK stamp duty or SDRT will be payable by UK Holders in respect of the transfer of the GoCo Group Shares or on the issue of the New Future Shares, in each case, pursuant to the Scheme.

## PART 14—ADDITIONAL INFORMATION

### 1. Responsibility

The Company, the Future Directors and the Proposed Future Director whose names appear in Part 3 (*Directors, Company Secretary and Advisers*) of this document accept responsibility for the information contained in this document. To the best of the knowledge of the Company, the Future Directors and the Proposed Future Director, the information contained in this document is in accordance with the facts, and this document makes no omission likely to affect its import.

### 2. Incorporation

The Company was incorporated and registered in England and Wales on 22 April 1999 with registered number 03757874 as a company limited by shares under the Companies Act 1985 with the name Arenabeam Limited which was subsequently changed to The Future Network Limited. The Future Network Limited was re-registered as a public company limited by shares under the Companies Act 1985 on 14 June 1999. The Company's name was eventually changed to Future plc on 26 January 2005.

The Company is domiciled in the United Kingdom. The Company's registered office is Quay House, The, Ambury, Bath BA1 1UA and its telephone number is +44 (0) 1225 442244. The Company's principal places of business are (i) Quay House, The Ambury, Bath BA1 1UA, United Kingdom, (ii) 1-10 Praed Mews, Paddington, London W2 1QY, United Kingdom, 161 Marsh Wall, London E14 9AP, United Kingdom, (iii) Pinehurst 2, Pinehurst Road, Farnborough Business Park, Farnborough, Hants GU14 7BF, United Kingdom, (iv) 15th Floor, 11 W 42nd Street, New York NY 10036, USA, Suite 600, 555 11th St. NW, Washington D.C. 20004, USA and (v) Suite 3, Level 10, 100 Walker St, North Sydney NSW 2060, Australia. The Company's website is [www.Future.com](http://www.Future.com) (please note that the contents of the Company's website do not form part of this document).

The principal legislation under which the Company operates, and pursuant to which the New Future Shares will be created, is the Companies Act and regulations made thereunder.

The Company's LEI is 213800K2581YRLEXV353.

### 3. Resolution, authorisations and approvals relating to the acquisition rights attaching to Future Shares

At the Future General Meeting, Future Shareholders will be asked to consider and vote on the Future Resolution, further details of which are set out in paragraph 2 of Part 6 (*Information on the Combination*) of this document.

### 4. Rights attached to the New Future Shares

The Articles of Association are available for inspection at the address and website specified in paragraph 17 of this Part 14 (*Additional Information*). The Company's Memorandum of Association no longer sets out the objects of the Company, and its objects are unrestricted save to the extent otherwise provided in the Articles.

The Articles of Association contain provisions, amongst others, to the following effect:

There are no restrictions on the free transferability of the Future Shares.

#### 4.1 Share rights

Subject to the Statutes (as defined in the Articles of Association), and without prejudice to any special rights previously conferred on Future Shareholders, shares may be issued with such rights and restrictions as the Company may from time to time by ordinary resolution decide (or, in the absences of any such determination, as the Future Directors may decide). Redeemable shares may be issued.

#### 4.2 Dividend rights

Subject to applicable law, the Company may by ordinary resolution from time to time, declare dividends not exceeding the amount recommended by the Future Directors.

The Future Directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the Future Directors may (subject to the provisions of the Statutes) pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer deferred or non-preferred rights

as we as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any dividend is in arrears. If the Future Directors act in good faith they shall not incur any liability to the holders of shares conferring a preference for any damage they may suffer by reason of the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

Unless the share rights otherwise provide, all dividends shall be declared and paid *pro rata* according to the nominal amounts paid up on the shares during any period for which the dividend is paid.

Unless the share rights otherwise provide, no dividend or other monies payable in respect of a share shall bear interest as against the Company.

Any dividend unclaimed after a period of 12 years from its due date of payment shall at the expiration of that period be forfeited and cease to remain owing by the Company and revert to the Company absolutely.

#### 4.3 ***Voting rights***

Subject to the rights or restrictions referred to in paragraph 4.4 below, and subject to any special rights or restrictions as to voting for the time being attached to any shares in the Company, on a show of hands every member and duly appointed proxy shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share which he or she holds. On a poll votes may be given in person or by proxy and a member entitled to more than one vote need not cast all his or her votes in the same way.

In the case of joint holders of a share, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names of the holders stand in the register of members in respect of the share.

#### 4.4 ***Restrictions***

A member of the Company shall not, if the Future Directors determine, be entitled to attend general meetings and vote, or to exercise rights of membership, if he or she or another person appearing to be interested in the relevant shares has failed to comply with a notice given under section 793 of the Companies Act within 14 days. The restrictions will continue until there is (i) due compliance to the satisfaction of the Future Board with the section 793 notice; or (ii) receipt by the Company of notice that the shareholding has been sold to a third party pursuant to an arm's length transfer.

#### 4.5 ***Pre-emption rights***

There are no pre-emption rights under the Articles of Association in respect of transfers of Future Shares. In certain circumstances, Future Shareholders may have statutory pre-emption rights as provided for by the Companies Act (save to the extent not previously disallowed by Future Shareholders). These statutory pre-emption rights would require the Company to offer new shares for allotment for cash to holders of the Existing Future Shares on a *pro rata* basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares would be offered to Future Shareholders.

#### 4.6 ***Capitalisation of reserves or profits***

The Future Directors may, with the sanction of an ordinary resolution, capitalise any sum standing to the credit of any of the Company's reserves accounts (including any share premium account, capital redemption reserve or other distributable reserve) or any sum standing to the credit of profit and loss account. The Future Directors will set aside the capitalised sum for the holders of Future Shares in the same proportion as their then holdings of Future Shares.

#### 4.1 ***Return of capital***

Except as provided by the rights and restrictions attached to any class of shares, Future Shareholders will under general law be entitled to participate in any surplus assets in a winding up in proportion to their shareholdings.

### 5. **Regulatory disclosures**

The Company regularly publishes announcements via the RNS system and its website. Below is a summary of the information disclosed in accordance with the Company's obligations under MAR over the last 12 months

relevant at the date of this prospectus. In addition to the RNS system, full announcements can be accessed on the webpage of the Company at <https://investor.futureplc.com/results-home/>.

### 5.1 **Inside information**

Below is a summary of the information disclosed in accordance with the Company's obligations under MAR over the last 12 months which is relevant as at the date of this document:

- On 25 November 2020, the Company announced its full year results for the year ended 30 September 2020, which are incorporated by reference into this Prospectus as set out in Part 14 (*Information Incorporated by Reference*) of this document. The announcement also included a summary of the financial, operational and strategic highlights for the Future Group over the 2020 financial year, a description of the Future Group's current trading and outlook as well as reference to the recommended offer for GoCo Group;
- On 25 November 2020, the Company announced the recommended offer for GoCo Group;
- On 26 October 2020, the Company announced that Richard Huntingford, Chairman of the Company, was appointed as a Non-Executive Director of Unite Group plc ("Unite") with effect from 01 December 2020, and as Chair Designate. Richard would take over as Chair of Unite with effect from 01 April 2021;
- On 02 October 2020, the Company announced the acquisition of CinemaBlend (a premium, US-based, "high-growth digital entertainment publisher brand focused on the TV, film and entertainment market"). The announcement outlined that the acquisition would (i) expand the Company's reach of online users in certain verticals, particularly in the US; (ii) provide an opportunity to accelerate the development a recently launched website; and (iii) allow the Company to further diversify CinemaBlend's online revenue streams by leveraging the Company's existing propriety technology platforms.
- On 07 September 2020, the Company gave a pre-close full year trading update for the 12 months to 30 September 2020; outlining, that the Future Group's full-year adjusted operating profit was expected to be materially ahead of existing market expectations, and that the continued strong cash conversion enabled the business to de-lever quickly. The announcement also confirmed that the integration of TI Media was on track, allowing the Future Group to make good progress with (i) launching new websites in TI Media's content verticals; (ii) migrating systems onto common platforms, and (iii) delivering synergies in line with the original cost-to-achieve ratio;
- On 01 September 2020, the Company announced the appointment of Non-Executive Director Mark Brooker with effect from 01 October 2020;
- On 20 July 2020, the Company announced a business update on the integration TI Media (completed on 20 April 2020), which was reported as progressing in line with expectations including with regards to the first phase of the integration process (focused on technology priorities); the executive leadership team appointments as well as the synergies (delivery of cost synergies reported as being well underway). The announcement also included an update regarding group trading—the Future Group continued to benefit from the effect of its diversified revenue stream and operating leverage; in recognition of the Future Group's continued strong performance, it was repaying the support previously received from the UK Government furlough scheme;
- On 01 June 2020, the Company confirmed the appointment of Rachel Addison as Chief Financial Officer with effect from 01 June 2020. Rachel replaced Penny Ladkin-Brand, who would be stepping down from the Future Board to assume the role of Chief Strategy Officer;
- On 22 May 2020, the Company announced its half year results update, particularly outlining that the Future Group had an exceptionally strong first half, with (amongst other metrics) an increased adjusted operating profit, growth in the number of online users; and strong adjusted cash flow. The announcement included updates regarding (but not limited to) (i) recent acquisitions (Barcroft Studios; TI Media acquisition completed) and; (ii) the Future Group's current trading and outlook;
- On 20 April 2020, the Company announced the completion of the acquisition of TI Media, which was announced on 30 October 2019 and was conditional upon the Competition and Markets Authority clearance. The announcement also included an update regarding (i) the impact of COVID-19 on the Company (including on staff, clients, operations; the encouraging performance from digital revenue; and the cost saving measures implemented to protect profitability) as well as on TI Media (a less diversified business, which as such was expected to be more significantly impacted by COVID-19);

- (ii) existing, and new facilities as well as the effect on the cash headroom; (iii) forthcoming board changes with effect from 01 June 2020; and, (iv) the Future Group's outlook;
- On 20 March 2020, the Company announced an update on trading for the six month period ending 31 March 2020 and current outlook, confirming that: (i) the period started well, with exceptionally strong digital audience numbers leading to benefits through to eCommerce and digital advertising and an expectation of half-year results that met expectations; (ii) the implementation of some profit protection measures to enable the business to continue to trade robustly as a result of the increase market volatility due to the unprecedented COVID-19 crisis; and (iii) the business continued to be highly cash generative and that the half-year cash was expected to be in line with guidance;
- On 10 March 2020, the Company announced an update regarding the impact of COVID-19; specifically noting that the continued momentum within the Future Group, led the Future Board to expect that there wouldn't be an impact on the profit for the year to 30 September 2020, nor to that of the following financial year. The Company confirmed that its strategy was working well, that the fundamentals of the business had not changed, and that the operating disciplines meant that the Company was "well placed to meet the challenges and opportunities arising from these dynamic market conditions";
- On 06 February 2020, the Company announced the appointment of independent Non-Executive Director, Meredith Amdur with effect from 06 February 2020; and
- On 03 February 2020, the Company gave a trading update that the Future Group had seen strong momentum in the year to date, with growth in the audience numbers within the media division; furthermore, the strong cash conversion of the media revenue stream contributed to the Company's cash position which was ahead of the Future Board's expectations. Despite some uncertainty in the macro-economic environment, from these initial indicators, the Future Board expected the outcome for the full year to be materially ahead of market expectations at the time.

## 5.2 ***Dealings by persons discharging managerial responsibilities and their persons closely associated***

Future has made a number of disclosures in accordance with Article 19 of MAR in relation to transactions carried out by certain of Future's persons discharging managerial responsibilities ("PDMRs") and their persons closely associated. Such transactions included the grant and exercise of awards over Future Shares and the acquisition of Future Shares by certain PDMRs and persons closely associated.

## 5.3 ***Takeovers and mergers***

The Code is issued and administered by the Panel. The Panel has been designated as the supervisory authority to carry out certain regulatory functions in relation to takeovers and merger transactions pursuant to the directive on Takeover Bids (2004/25/EC) (the "Takeovers Directive"). Following the implementation of the Takeovers Directive by the Takeovers Directive (Interim Implementation) Regulations 2006, the rules in the Code, which are derived from that Takeovers Directive, now have a statutory basis.

The Code applies to all takeovers and merger transactions, howsoever effected, where, among other things, the offeree company is a public company (except an open-ended investment company) which has its registered office in the United Kingdom, the Channel Islands or the Isle of Man.

However, the Code applies to the Company in respect of matters relating to the information to be provided to its employees and matters relating to company law (in particular the percentage of voting rights which confers control and any derogation from the obligation to launch an offer, as well as the conditions under which the Future Board may undertake any action which might result in the frustration of an offer). This includes Rule 9 of the Code, under which any person who acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with such person are interested) carry 30% or more of the voting rights of a company subject to the Code, must make a general offer in cash to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights to acquire the balance of the shares not held by such person and any person acting in concert with that person. An offer under Rule 9 of the Code must be in cash or be accompanied by a cash alternative at not less than the highest price paid within the 12 months prior to the announcement of the offer for any shares by the person required to make the offer or any person acting in concert with that person.

The takeover provisions are intended to ensure that, in the event of an offer, sufficient information will be made available to the Future Shareholders, that the Future Shareholders will be treated equally and that there will be a proper and timely offer period.

For the purposes of the Code:

- “**persons acting in concert**” comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company; and
- “**control**” means an interest, or interests, in shares carrying in aggregate 30% or more of the voting rights of a company, irrespective of whether such interest or interests give de facto control.

In the event that the Takeovers Directive ceases to apply in the UK, it is expected that the Code will apply in full to any offer for the Company.

No public takeover bid has been made in relation to the Company during the last financial year or the current financial year.

## 6. Future Directors, Proposed Future Director and senior managers

- 6.1 The names and titles of the Future Directors are set out in the Part 3 (*Directors, Company Secretary and Advisers*) of this document.
- 6.2 The Proposed Future Director is Angela Seymour-Jackson and it is proposed that she will be appointed as an independent non-executive director of Future.
- 6.3 Biographies of Rachel Addison, Meredith Amdur and Mark Brooker, who were appointed during the course of or immediately after Future’s last financial year (the “**New Future Directors**”) and the Proposed Future Director are incorporated by reference into this document from paragraphs 3.2 and 3.3 of Part 5 (*Additional Information*) of the Circular.
- 6.4 Details of the service contracts of the New Future Directors and details of the Proposed Future Director’s letter of appointment are incorporated by reference into this document from paragraph 3.4 of Part 5 (*Additional Information*) of the Circular.
- 6.5 Details of the New Future Directors’ and the Proposed Future Director’s other partnerships and directorships are incorporated by reference into this document from paragraph 3.5 of Part 5 (*Additional Information*) of the Circular.
- 6.6 As at the date of this document, none of the New Future Directors or the Proposed Future Director have details for disclosure of:
  - any unspent convictions in relation to indictable offences;
  - any receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements or any composition or arrangement with its creditors generally or with any class of creditors where the relevant New Future Director or the Proposed Future Director was an executive director at the time of, or within the 12 months preceding, such events;
  - any compulsory liquidations, administrations or partnership voluntary arrangements of any partnerships where the relevant New Future Director or the Proposed Future Director was a partner at the time of, or within the 12 months preceding, such events;
  - details of receiverships of any asset of any company or partnership of which the relevant New Future Director or the Proposed Future Director was a director or partner at the time of, or within the 12 months preceding, such events; or
  - any official public incrimination or sanctions by any statutory or regulatory authorities (including designated professional bodies) or disqualification by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.
- 6.7 There are no family relationships between any of the New Future Directors, the Proposed Future Director and any of the Future Directors.

6.8 Save as disclosed below, none of the Future Directors or the Proposed Future Director have any conflict of interest or potential conflict between their respective duties to the Company and their private interests and/or other duties:

- Zillah Byng-Thorne and Angela Seymour-Jackson are independent non-executive directors of GoCo Group. As a result of her position as the Chief Executive Officer of Future, Zillah Byng-Thorne has not participated in the appraisal of the Combination by the Independent GoCo Group Directors or the decision of the Independent GoCo Group Directors to recommend the Combination to GoCo Group Shareholders.

6.9 The following table lists the names and positions of the senior managers of the Future Group.

<u>Name</u>	<u>Position</u>
Claire MacLellan . . . . .	Chief Operation Officer
Kevin Li Ying . . . . .	Chief Technology Officer
Mike Peralta . . . . .	Chief Revenue Officer
Aaron Asadi . . . . .	Chief Content Officer
Penny Ladkin-Brand . . . . .	Chief Strategy Officer
Neville Daniels . . . . .	Managing Director, Australia
Rick Stamberger . . . . .	Senior Vice President, B2B
Sophie Wybrew-Bond . . . . .	Group Marketing Director
Andrea Davies . . . . .	MD, Future Passion
Adrian Hughes . . . . .	MD, Marketforce
Angie O'Farrell . . . . .	MD, Future Living
Jason MacLellan . . . . .	Senior Vice President, Operations & IT

## 7. Share interests and options in Future

7.1 Each of the Future Directors' and the Proposed Future Director's interests in the share capital of the Company at the Last Practicable Date and, on Admission, is incorporated by reference into this document from paragraph 4.1 of Part 5 (*Additional Information*) of the Circular.

7.2 Details of options and other share incentives held by the Future Directors are set out in page 101 of the Future Annual Report 2020 incorporated by reference in this Prospectus as set out in Part 15 (*Information Incorporated by Reference*) of this document.

## 8. Major shareholders

8.1 The names of any persons other than a Future Director who, directly or indirectly, holds 3% or more of the Company's voting rights and has been notified under the Disclosure Guidance and Transparency Rules are incorporated by reference into this document from paragraph 5 of Part 5 (*Additional Information*) of the Circular.

8.2 The Company's major shareholders do not have voting rights attached to the Future Shares they hold that are different to those held by the other Future Shareholders.

8.3 Save as set out in paragraph 8.1 of this Part 14 (*Additional Information*), as at the Last Practicable Date, the Company is not aware of any person who directly or indirectly has an interest in the Company's issued ordinary share capital which is notifiable under the Disclosure Guidance and Transparency Rules by virtue of exceeding the relevant thresholds of total voting rights attaching thereto.

## 9. Material contracts

Details of the material contracts of the Future Group and the GoCo Group of companies are incorporated by reference into this document from paragraph 6 of Part 5 (*Additional Information*) of the Circular.

## 10. Related party transactions

The Future Group had no material transactions with related parties in the financial years ended 30 September 2018, 2019 and 2020, or for the period between 1 October 2020 and the Last Practicable Date.

## 11. **Litigation**

### 11.1 **Future Group**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Future Group is aware), which during the 12 month period prior to the publication of this document may have, or have had in the recent past, significant effects on the Future Group's financial position or profitability.

### 11.2 **GoCo Group of companies**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Future Group is aware), which during the 12 month period prior to the publication of this document may have, or have had in the recent past, significant effects on the GoCo Group of companies' financial position or profitability.

## 12. **Working capital**

Future is of the opinion that, after taking into account the facilities available, the working capital available to the Group is sufficient for its present requirements, that is, for at least the next 12 months from the date of this document.

## 13. **No significant change**

### 13.1 **Future Group**

There has been no significant change in the financial position or financial performance of the Future Group since 30 September 2020, the date to which Future's last audited annual financial statements were issued.

### 13.2 **GoCo Group of companies**

There has been no significant change in the financial position or financial performance of the GoCo Group of companies since 30 June 2020, the date to which GoCo Group's last unaudited interim financial statements were issued.

## 14. **Consents**

Numis Securities has given, and not withdrawn, its written consent to the inclusion in this document of the references to its name in the form and context in which they are included.

Goldman Sachs has given, and not withdrawn, its written consent to the inclusion in this document of the references to its name in the form and context in which they are included.

PwC, a member firm of the Institute of Chartered Accountants in England and Wales, who has acted as reporting accountant to Future, has given and has not withdrawn its written consent to the inclusion of its report on the unaudited pro forma financial information set out in section B of Part 12 (*Unaudited Pro Forma Financial Information of the Combined Group*) in this Prospectus. It has authorised the contents of its report for the purposes of rule 5.3.2(2)(f) of the Prospectus Regulation Rules.

## 15. **Synergy information**

Paragraph 3.9 of Part 6 (*Information on the Combination*) of this document contains statements of estimated cost savings and synergies arising from the Combination (together, the "**Quantified Financial Benefits Statement**").

### 15.1 **Sources of information**

In preparing the Quantified Financial Benefits Statement, Future has used an experienced team of senior management from across its business.

Future management held discussions with GoCo Group management and used operational and financial information provided by GoCo Group management via a virtual data room and through due diligence Q&A as well as publicly available information.

Future also utilised its experience from previous acquisitions to identify integration initiatives and estimate the timing, quantum and cost to achieve of cost savings available.

## 15.2 ***Bases of belief***

In identifying the costs savings Future has formulated the following principal bases of belief supporting the statement.

- Synergies can be realised within support organisations, processes and systems without impediment to core business activity or GoCo Group's FCA compliance.
- GoCo Group and Future are both listed companies and have similar leadership and governance structures. Synergies can therefore be realised through consolidation of corporate leadership and the activities associated with public listing.
- GoCo Group and Future have similar organisational requirements for support to their operations. Synergies can therefore be realised through the integration of certain back-office functions and IT systems.
- GoCo Group is currently organised by business unit. Adoption of Future's 'centre of excellence' operating model for certain activities will result in cost efficiencies.
- Based on overlapping office footprint and existing excess capacity in the Future London offices, the management of Future believes that synergies can be realised through consolidation of London properties eliminating the GoCo Group office in Soho.

## 15.3 ***Procedures performed***

Future carried out the following procedures to identify the potential quantum and phasing of the merger benefits within the areas above:

- Considered the organisation structures of the relevant functions and teams within the combined business.
- Developed hypotheses in each merger benefit area, identified the addressable costs and the potential quantum, phasing and cost to achieve of each synergy.
- Validated these hypotheses through internal discussion, through discussion with GoCo Group and review of GoCo Group data and through review of Future's own experience in identifying and delivering costs savings within each merger benefit area from previous acquisitions.

## 15.4 ***Principal assumptions***

In arriving at the Quantified Financial Benefits Statements, the Future Directors have assumed:

- no material change in macroeconomic, political, legal or regulatory conditions in the markets and regions in which GoCo Group and Future operate;
- no significant impact on the underlying operations of either business from the creation of the Combined Group; and
- no material divestments from either the Future or GoCo Group existing businesses.

The baselines used for the quantified cost synergies were:

- for Future: the overhead costs within the unaudited consolidated financial statements of Future for the financial year ended 30 September 2020; and
- for GoCo Group: the overhead costs within the management accounts provided by GoCo Group for the period ended 30 September 2020 plus Future's pro-rata estimate for the remaining three months of the financial year.

## 15.5 ***Notes***

These statements are not intended as a profit forecast and should not be interpreted as such. These statements of estimated synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the estimated synergies referred to may not be achieved, or may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. Neither the Quantified Financial Benefits Statement nor any other statement in this document should be construed as a profit forecast or interpreted to mean that Future's earnings in the first full financial year following the Scheme becoming Effective, or in any subsequent period, will necessarily match or be greater

than or be less than those of GoCo Group or Future for the relevant preceding financial period or any other period.

Due to the scale of the Combined Group, there may be additional changes to the Combined Group's operations. As a result, and given the fact that the changes relate to the future, the resulting synergies may be materially greater or less than those estimated.

## 16. Sources of information and bases of calculation

- 16.1 Unless otherwise stated, all prices and closing prices for GoCo Group Shares and Future Shares are closing middle market quotations derived from the Daily Official List of the London Stock Exchange.
- 16.2 GoCo Group's fully diluted equity value of £564.5m has been calculated on the basis of a fully diluted issued ordinary share capital of 437,000,184 GoCo Group Shares, calculated as:
  - a) the current issued share capital of GoCo Group (being 421,745,628 GoCo Group Shares as at close of business on the Last Practicable Date); plus
  - b) the additional 15,254,556 GoCo Group Shares that, as at the Last Practicable Date, may be issued upon the vesting and/or exercise of outstanding Awards pursuant to the GoCo Group Share Plans. The calculation of the fully diluted number of GoCo Group Shares does not take into account the arrangements relating to the vesting of Awards under the GoCo Group Share Plans contained in the context Co-operation Agreement.
- and by multiplying the fully diluted issued ordinary share capital by the implied headline offer price calculated in accordance with paragraph 16.3 of this Part 14 (*Additional Information*).
- 16.3 The implied headline offer price of 129.2 pence per GoCo Group Share is calculated by multiplying the exchange ratio of 0.052497 New Future shares per GoCo Group Share by the closing price of a Future Share of 1,832 pence on the Last Practicable Date, and then adding 33 pence, being the cash consideration per GoCo Group Share.
- 16.4 GoCo Group's net debt as of 30 June 2020 is equal to £71.5m, based on GoCo Group Interim Results 2020.
- 16.5 GoCo Group's Enterprise Value is defined as the sum of GoCo Group's fully diluted equity value as set out in paragraph 16.2 above and GoCo Group's net debt as set out in paragraph 16.4 of this Part 14 (*Additional Information*).
- 16.6 The percentage of the share capital of the Combined Group that will be owned by GoCo Group Shareholders of 18.97% is calculated by dividing the number of New Future Shares to be issued under the terms of the Combination (being 22,941,199) by the issued share capital of the Combined Group (as set out in paragraph 16.7 of this Part 14 (*Additional Information*)) and multiplying the resulting sum by 100 to produce a percentage.
- 16.7 The share capital of the Combined Group (being 120,956,299) has been calculated as the sum of:
  - a) the total number of 98,015,100 Future Shares in issue as at the close of business on the Last Practicable Date; and
  - b) up to 22,941,199 New Future Shares that would be issued under the terms of the Combination (being up to 0.052497 New Future Shares to be issued per GoCo Group Share multiplied by the fully diluted share capital of GoCo Group referred to in paragraph 16.2 of this Part 14 (*Additional Information*)).
- 16.8 On the date of this document, Future holds no ordinary shares in treasury.
- 16.9 Volume-weighted average prices have been sourced from Bloomberg.
- 16.10 ROIC is defined as the post-tax GoCo Group adjusted operating profit plus run-rate cost synergies, in each case as estimated by Future, divided by the GoCo Group fully diluted equity value (based on the headline price per GoCo Group Share as set out in paragraph 16.2 of this Part 14 (*Additional Information*)) plus Future's estimate of the amount of GoCo Group financial net debt at completion.
- 16.11 The synergy baseline was compiled on the basis of Future's and GoCo Group's unaudited financial statements and financial records. Further information underlying the Quantified Financial Benefits Statement, is set out in paragraph 15 of this Part 14 (*Additional Information*).

- 16.12 The timing expectations set out in this document assume that the Combination would become effective in the first quarter of 2021.
- 16.13 Certain figures in this document have been subject to rounding adjustments.
- 16.14 The total consideration payable under the Combination comprises a mix of 74.45% (£420.3m) in equity via the issue of 22,941,199 New Future Shares, and 25.55% (£144.2m) in cash.

**17. Documents available for inspection**

Copies of the following documents may be physically inspected at the offices of the Company at Quay House, The Ambury, Bath BA1 1UA and 1-10 Praed Mews, London W2 1QY during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document up to and including the date of Admission and on the Company's website ([www.Futureplc.com/invest-in-Future](http://www.Futureplc.com/invest-in-Future)):

- a) the Articles of Association;
- b) the Circular;
- c) the Future Annual Report 2020;
- d) the GoCo Group Annual Report and Accounts 2019 and the GoCo Group Interim Results 2020;
- e) the PwC report on the Unaudited Pro Forma Information;
- f) written consents of Numis Securities, Goldman Sachs and PwC; and
- g) a copy of this document.

Inspection of these documents in person may only take place in accordance with measures imposed by the UK Government in connection with the COVID-19 pandemic. The Company has its own procedures in place to comply with those measures. Accordingly, if you wish to inspect any of these documents, you should email [cosec@futurenet.com](mailto:cosec@futurenet.com) to arrange an appointment.

## PART 15—INFORMATION INCORPORATED BY REFERENCE

The table below sets out the documents of which certain parts are incorporated by reference into, and form part of, this document, and only the parts of the documents identified in the table below are incorporated into, and form part of, this document. To the extent that any information incorporated by reference itself incorporates any information by reference, either expressly or by implication, such information will not form part of this document for the purposes of the Prospectus Regulation Rules, except where such information is stated within this document as specifically being incorporated by reference or where the document is specifically defined as including such information.

Any statement contained in a document which is deemed to be incorporated by reference in this document shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained in this document (or in a later document which is incorporated by reference in this document) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of this document.

Except as set forth above, no other portion of these documents is incorporated by reference into this document and those portions which are incorporated by reference in this document are either not relevant for investors or the relevant information is included elsewhere in this document.

These documents incorporated by reference are available for inspection in accordance with paragraph 17 of Part 14 (*Additional Information*) of this document.

Document	Section	Page number(s) in such document
<b>Future Annual Report 2020</b>	Details of options and other share incentives held by the Future Directors	101
	Independent Auditor's Report to the members of Future plc	112–119
	Consolidated income statement	120
	Consolidated statement of comprehensive income	120
	Consolidated statement of changes in equity	121
	Consolidated balance sheet	122
	Consolidated and Company cash flow statements	124
	Notes to the consolidated cash flow statement	125–126
	Accounting policies	127–133
	Notes to the financial statements	134–163
<b>GoCo Group Annual Report and Accounts 2019</b>	Independent Auditor's Report to the members of GoCo Group of companies plc only	94–97
	Consolidated Statement of Comprehensive Income	98
	Consolidated Statement of Financial Position	99
	Consolidated Statement of Changes in Equity	100
	Consolidated Statement of Cash Flows	101
	Notes to the Financial Statements	102–128
<b>GoCo Group Interim Results 2020</b>	Condensed Consolidated Statement of Comprehensive Income	14
	Condensed Consolidated Statement of Financial Position	15
	Condensed Consolidated Statement of Changes in Equity	16
	Condensed Consolidated Statement of Cash Flows	17
	Notes to the Financial Statements	18–28
<b>The Circular</b>	Biographies of the New Future Directors and the Proposed Future Director	45–46
	Details of the service contracts of the New Future Directors and the Proposed Future Director	46
	Details of the other partnerships and directorships of the New Future Directors and the Proposed Future Director	47–48
	Details of the Future Directors' and the Proposed Future Director's interests in Future	48
	Detail of the major shareholders of Future	48–49
	Details of the material contracts of the Future Group and the GoCo Group of companies	49–54

## PART 16—DEFINITIONS

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

<b>“Admission”</b>	the admission of the New Future Shares to: (i) the premium listing segment of the Official List in accordance with the Listing Rules; and (ii) trading on the Main Market becoming effective in accordance with LR 3.2.7G of the Listing Rules and paragraph 2.17 of the Admission and Disclosure Standards respectively
<b>“Admission and Disclosure Standards”</b>	the admission and disclosure standards made by London Stock Exchange from time to time
<b>“Announcement”</b>	the announcement dated 25 November 2020 detailing the terms and conditions of the Combination made pursuant to Rule 2.7 of the Code
<b>“Articles of Association”</b>	the articles of association of Future, as amended from time to time
<b>“Awards”</b>	share options and/or awards under the GoCo Group Share Plans
<b>“B2B”</b>	business-to-business
<b>“Business Day”</b>	a day (other than a Saturday, Sunday or public or bank holiday) on which banks are generally open for normal banking business in the City of London
<b>“certificated” or “in certificated form”</b>	a Future Share which is not in uncertificated form (that is, not in CREST)
<b>“Circular”</b>	the circular relating to the approval of the Combination sent by Future to Future Shareholders summarising the background to and reasons for the Combination, which will include a notice convening the Future General Meeting
<b>“Code”</b>	the City Code on Takeovers and Mergers as issued from time to time by or on behalf of the Panel
<b>“Combination”</b>	the acquisition by Future of the entire issued and to be issued share capital of GoCo Group, to be implemented by means of the Scheme (or by way of a Takeover Offer under certain circumstances described in the Announcement) and, where the context requires, any subsequent revision, variation, extension or renewal thereof
<b>“Combined Group”</b>	the combined group following the Combination, comprising the Future Group and the GoCo Group of companies
<b>“Companies Act”</b>	The Companies Act 2006, as amended
<b>“Completion”</b>	completion of the Combination
<b>“Conditions”</b>	the conditions to the implementation of the Combination, as set out in Appendix 1 to the Announcement and in Part III ( <i>Conditions to the Implementation of the Scheme and to the Combination</i> ) of the Scheme Document
<b>“Co-operation Agreement”</b>	the co-operation agreement dated 25 November 2020 entered into between (1) Future and (2) GoCo Group
<b>“Court”</b>	the High Court of Justice in England and Wales
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in the CREST Regulations)
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended
<b>“Daily Official List”</b>	the Daily Official List published by the London Stock Exchange

“ <b>Disclosure Guidance and Transparency Rules</b> ” . . . . .	the Disclosure Guidance and Transparency Rules published by the FCA under the authority of Part VI of FSMA, as amended
“ <b>EBITDA</b> ” . . . . .	earnings before interest, taxes, depreciation and amortisation
“ <b>EEA</b> ” . . . . .	the European Economic Area
“ <b>Effective</b> ” . . . . .	in the context of the Combination: (a) if the Combination is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (b) if the Combination is implemented by way of a Takeover Offer, such Takeover Offer having been declared or become unconditional in all respects in accordance with the Code
“ <b>Employee Benefit Trust</b> ” . . . . .	The Future plc Employee Benefit Trust
“ <b>Euroclear</b> ” . . . . .	Euroclear UK and Ireland Limited, the operator of CREST
“ <b>Existing Future Shares</b> ” . . . . .	the 98,015,100 Future Shares currently in issue
“ <b>FCA</b> ” . . . . .	the Financial Conduct Authority of the United Kingdom acting in its capacity as the competent authority for the purposes of Part VI of the FSMA, or any successor regulatory body
“ <b>FSMA</b> ” . . . . .	the Financial Services and Markets Act 2000, as amended
“ <b>Future</b> ” or the “ <b>Company</b> ” . . . . .	Future plc, a company incorporated in England and Wales with company registration number 03757874
“ <b>Future Annual Report 2020</b> ” . . . . .	Future’s annual report and audited accounts for the year ended 30 September 2020 (which includes the Future Group’s audited historical financial information for the year ended 30 September 2020)
“ <b>Future Board</b> ” or “ <b>Future Directors</b> ” . . . . .	the board of directors of Future as at the date of this document whose names are set out in Part 3 ( <i>Directors, Company Secretary and Advisers</i> ) of this document and/or the directors of Future from time to time (as the context so requires)
“ <b>Future General Meeting</b> ” . . . . .	the general meeting of Future Shareholders (including any adjournment of that meeting) to be convened in connection with the Combination to consider and, if thought fit, approve, the Future Resolution
“ <b>Future Group</b> ” . . . . .	Future, its subsidiaries, subsidiary undertakings, associated undertakings and any other undertaking in which Future and/or any such undertakings (aggregating their interests) has a significant interest
“ <b>Future Resolution</b> ” . . . . .	such shareholder resolution(s) of Future as is necessary to approve, implement and effect the Combination as a Class 1 transaction (for the purposes of the Listing Rules) and grant authority to the Future Board to allot the New Future Shares (and any amendment(s) thereof)
“ <b>Future Shareholders</b> ” . . . . .	holders of Future Shares
“ <b>Future Shares</b> ” . . . . .	ordinary shares of £0.15 each in the capital of Future
“ <b>GoCo Group</b> ” . . . . .	GoCo Group plc, a company incorporated in England and Wales with company registration number 06062003
“ <b>GoCo Group Annual Report and Accounts 2019</b> ” . . . . .	GoCo Group’s annual report and audited accounts for the year ended 31 December 2019 (which includes the GoCo Group of companies’ audited historical financial information for the year ended 31 December 2019)
“ <b>GoCo Group Award Holders</b> ” . . . . .	holders of options and/or awards under the GoCo Group Share Plans

<b>“GoCo Group Board”</b>	the board of directors of GoCo Group as at the date of this document
<b>“GoCo Group Court Meeting”</b>	the meeting of GoCo Group Shareholders to be convened pursuant to an order of the Court under the Companies Act, notice of which is set out in the Scheme Document, for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment), and any adjournment, postponement or reconvening of such meeting
<b>“GoCo Group DBP”</b>	the GoCo Group 2016 Deferred Bonus Plan
<b>“GoCo Group General Meeting”</b>	the general meeting of GoCo Group Shareholders (and any adjournment of it) to be convened in connection with the Scheme to consider the GoCo Group Resolution, notice of which will be set out in the Scheme Document
<b>“GoCo Group Interim Results 2020”</b>	GoCo Group’s unaudited interim consolidated financial statements for the six month period ended 30 June 2020
<b>“GoCo Group of companies”</b>	GoCo Group, its subsidiaries, subsidiary undertakings, associated undertakings and any other undertaking in which GoCo Group and/or any such undertakings (aggregating their interests) have a significant interest
<b>“GoCo Group PSP”</b>	the GoCo Group 2016 Performance Share Plan
<b>“GoCo Group Resolution”</b>	such shareholder resolution(s) of GoCo Group as is necessary to approve, implement and effect the Scheme and the Combination, including (without limitation) a resolution to amend the articles of association of GoCo Group by the adoption of a new article (in terms approved by Future) under which any GoCo Group Shares issued or transferred after the GoCo Group General Meeting shall either be subject to the Scheme or (after the Scheme Effective Date) shall be immediately transferred to Future (or as it may direct) in exchange for the same consideration as is due under the Scheme
<b>“GoCo Group Shareholders”</b>	holders of GoCo Group Shares
<b>“GoCo Group Shares”</b>	ordinary shares of £0.0002 each in the capital of GoCo Group.
<b>“GoCo Group Sharesave”</b>	the GoCo Group 2016 Sharesave Plan
<b>“GoCo Group Share Plans”</b>	the GoCo Group DBP, the GoCo Group PSP, the GoCo Group Sharesave and the GoCo Group SIP
<b>“GoCo Group SIP”</b>	the GoCo Group 2016 Share Incentive Plan
<b>“Group”</b>	the Future Group from time to time
<b>“HMRC”</b>	HM Revenue & Customs
<b>“IASB”</b>	the International Accounting Standards Board
<b>“IFRS”</b>	the International Financial Reporting Standards as issued by the International Accounting Standards Board and, for the purposes of this document, as adopted by the European Union
<b>“Independent GoCo Group Directors”</b>	the directors of GoCo Group as at the date of this document, excluding Zillah Byng-Thorne; such directors being the members of a committee of the GoCo Group Board established to appraise the Combination independently of Zillah Byng-Thorne
<b>“ISIN”</b>	International Security Identification Number
<b>“Last Practicable Date”</b>	10 December 2020, being the last practicable date before the date of this document

<b>“Listing Rules”</b>	the Listing Rules published by the FCA under the authority of Part VI of FSMA, as amended, and “LR” shall be construed accordingly
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“Long Stop Date”</b>	28 May 2021 (or such later date as may be agreed by GoCo Group and Future (with the Panel’s consent and, if required, the Court’s approval))
<b>“Main Market”</b>	London Stock Exchange’s main market for listed securities
<b>“MAR”</b>	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and the delegated acts, implementing acts, technical standards and guidance made thereunder
<b>“New Future Facility”</b>	a new two year term credit facility of £215.0m provided via an amendment and restatement agreement dated 25 November 2020 to an existing revolving credit facility agreement originally dated 13 February 2019 (as amended) and made between, amongst others, Future as a borrower and a guarantor and HSBC Bank Plc, HSBC UK Bank Plc, National Westminster Bank Plc, NatWest Markets Plc and The Governor and Company of the Bank of Ireland as term facility lenders
<b>“New Future Shares”</b>	the new Future Shares to be issued pursuant to the Scheme (or the Combination, as the context requires) or in consideration for the transfer to Future of GoCo Group Shares in accordance with the articles of association of GoCo Group
<b>“Numis Securities” or “Sponsor”</b>	Numis Securities Limited
<b>“Official List”</b>	the Official List maintained by the FCA
<b>“Panel”</b>	the Panel on Takeovers and Mergers of the United Kingdom
<b>“PDMR”</b>	Future’s persons discharging managerial responsibilities
<b>“PRA”</b>	Prudential Regulation Authority
<b>“PR Regulation”</b>	Delegated Regulation (EU) 2019/980
<b>“Proposed Future Director”</b>	Angela Seymour-Jackson
<b>“Prospectus”</b>	this document to be published by Future in respect of Admission of the New Future Shares to be issued in connection with the Combination, including any supplementary prospectus
<b>“Prospectus Regulation Rules”</b>	the Prospectus Regulation Rules published by the FCA under the authority of Part IV of FSMA, as amended
<b>“PwC”</b>	PricewaterhouseCoopers LLP
<b>“Quantified Financial Benefits Statement”</b>	the statements of estimated cost savings and synergies arising out of the Combination set out in paragraph 3.9 of Part 6 ( <i>Information on the Combination</i> ) of this document under the heading “ <i>Cost synergies of approximately £10m which Future expects to create significant shareholder value</i> ”
<b>“Registrars”</b>	Computershare Investor Services PLC
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales
<b>“Regulatory Information Service”</b>	any of the services set out in Appendix 1 to the Listing Rules
<b>“Restricted Jurisdiction”</b>	any jurisdiction where extension or acceptance of the Combination would violate the law of that jurisdiction or would result in a requirement to comply with any governmental or other consent or any registration, filing

	or other formality which Future or GoCo Group regards as unduly onerous
<b>“Scheme”</b>	the proposed scheme of arrangement under Part 26 of the Companies Act between GoCo Group and Scheme Shareholders to effect the Combination (with or subject to any modification, addition or condition approved or imposed by the Court and agreed by GoCo Group and Future)
<b>“Scheme Court Order”</b>	the order of the Court sanctioning the Scheme
<b>“Scheme Document”</b>	the document to be sent to GoCo Group Shareholders and, for information purposes, GoCo Group Award Holders containing, amongst other things, the terms and conditions of the Combination (including the Scheme) and certain information about GoCo Group and Future
<b>“Scheme Effective Date”</b>	the date on which the Scheme becomes effective in accordance with its terms
<b>“Scheme Hearing”</b>	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act and, if such hearing is adjourned, reference to commencement of any such hearing shall mean the commencement of the final adjournment thereof
<b>“Scheme Shareholder(s)”</b>	a holder of Scheme Shares
<b>“Scheme Shares”</b>	all GoCo Group Shares which remain in issue at the Scheme Record Time and are: <ul style="list-style-type: none"> <li>(i) in issue at the date of the Scheme Document;</li> <li>(ii) issued (if any) after the date of the Scheme Document and before the Voting Record Time; or</li> <li>(iii) issued (if any) at or after the Voting Record Time but at or before the Scheme Record Time on terms that the holder thereof shall be bound by the Scheme or in respect of which the original or any subsequent holders thereof are, or have agreed in writing to be, bound by the Scheme</li> </ul>
<b>“Scheme Record Time”</b>	the date and time specified in the Scheme Document as the Scheme Record Time, expected to be 6.00 pm on the Business Day immediately preceding the Scheme Effective Date
<b>“SEDOL”</b>	stock exchange daily official list
<b>“significant interest”</b>	in relation to an undertaking, a direct or indirect interest of 20% or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking
<b>“Takeover Offer”</b>	in the event of the Combination being effected by way of a takeover offer (as defined in section 974 of the Companies Act), the offer to be made by Future, or an affiliate thereof, to acquire the entire issued and to be issued share capital of GoCo Group (other than any GoCo Group Shares held by GoCo Group in treasury or already owned by Future or any associate (as defined in section 988 of the Companies Act) of Future), including any subsequent revision, amendment, variation, extension or renewal of such offer
<b>“Three Month VWAP”</b>	the three month volume weighted average price as shown on Bloomberg for a GoCo Group Share or a Future Share as the case may be
<b>“TI Media”</b>	TI Media Limited, a company incorporated in England and Wales with company registration number 00053626
<b>“UK Corporate Governance Code”</b>	the UK Corporate Governance Code published by the Financial Reporting Council in 2018 and as updated from time to time

<b>“Unaudited Pro Forma Financial Information”</b> . . . . .	has the meaning given to it in the introduction to Part 12 ( <i>Unaudited Pro Forma Financial Information of the Combined Group</i> ) of this document
<b>“uncertificated” or “in uncertificated form”</b> . . . . .	recorded on the relevant register of Future Shares as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
<b>“United Kingdom” or “UK”</b> . . . . .	the United Kingdom of Great Britain and Northern Ireland
<b>“United States” or “US”</b> . . . . .	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
<b>“US Exchange Act”</b> . . . . .	the US Securities and Exchange Act of 1934, as amended
<b>“US Securities Act”</b> . . . . .	the US Securities Act of 1933, as amended
<b>“Voting Record Time”</b> . . . . .	6.30 p.m. on the day which is two days prior to the date of the GoCo Group Court Meeting or, if the GoCo Group Court Meeting is adjourned, 6.30 p.m. on the day which is two days before the day of such adjourned meeting

