

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other professional adviser.

If you have sold or otherwise transferred your registered holding of Ordinary Shares in Regus plc (*société anonyme*), please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer, so they can pass these documents to the person who now holds the shares.

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### **Regus plc (*société anonyme*)** (the “Company”)

(incorporated in Jersey with registered number 101523 and having its place of central administration (head office) in Luxembourg and accordingly being registered in Luxembourg as a *société anonyme* under number R.C.S. Luxembourg B 141159)

## **NOTICE OF ANNUAL GENERAL MEETING**

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Notice of the annual general meeting of the Company, to be held at 11.00 a.m. (Luxembourg time) on 17 May 2016 at 26 Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg, is set out in Part II of this document.

Whether or not you propose to attend the annual general meeting, please complete and submit a Form of Proxy in accordance with the instructions printed on the enclosed form. The Form of Proxy must be received by 11.00 a.m. (Luxembourg time) on 15 May 2016.

## CONTENTS

|                                                                            |    |
|----------------------------------------------------------------------------|----|
| DEFINITIONS .....                                                          | 3  |
| PART I — LETTER FROM THE CHAIRMAN .....                                    | 7  |
| PART II — NOTICE OF THE 2016 ANNUAL GENERAL MEETING .....                  | 10 |
| PART III — EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING ..... | 16 |
| PART IV — APPROVAL OF THE RULE 9 WAIVERS .....                             | 21 |
| SECTION I — BACKGROUND .....                                               | 21 |
| SECTION II — ADDITIONAL INFORMATION .....                                  | 27 |
| SECTION III — INFORMATION INCORPORATED BY REFERENCE .....                  | 32 |

## DEFINITIONS

|                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| <b>“2013 AGM”</b>                | has the meaning set out on page 21 of this document;                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“2013 CIP Options”</b>        | means the nil cost options over 942,925 Ordinary Shares conditionally granted to Mr. Dixon on 6 March 2013 pursuant to the Regus CIP, some of which are subject to performance conditions and all of which were approved by Shareholders at the 2013 AGM;                                                                                                                                                                                                           |
| <b>“2013 Waiver”</b>             | has the meaning set out on page 21 of this document;                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“2014 AGM”</b>                | has the meaning set out on page 21 of this document;                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“2014 CIP Options”</b>        | means the nil cost options over 515,255 Ordinary Shares conditionally granted to Mr. Dixon on 5 March 2014 pursuant to the Regus CIP, some of which are subject to performance conditions and all of which were approved by Shareholders at the 2014 AGM;                                                                                                                                                                                                           |
| <b>“2014 Waiver”</b>             | has the meaning set out on page 21 of this document;                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“2015 AGM”</b>                | has the meaning set out on page 21 of this document;                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“2015 CIP Options”</b>        | means the nil cost options over 661,630 Ordinary Shares conditionally granted to Mr. Dixon on 4 March 2015 pursuant to the Regus CIP, some of which are subject to performance conditions and all of which were approved by Shareholders at the 2015 AGM;                                                                                                                                                                                                           |
| <b>“2015 CIP Options Waiver”</b> | has the meaning set out on page 21 of this document;                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“2015 Repurchase Waiver”</b>  | has the meaning set out on page 21 of this document;                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“2015 Waivers”</b>            | has the meaning set out on page 21 of this document;                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“2016 PSP Options”</b>        | means the nil cost options over 552,579 Ordinary Shares conditionally granted to Mr. Dixon on 3 March 2016 pursuant to the Regus PSP, which are subject to performance conditions and are conditional upon Shareholder approval of the Regus PSP at the AGM and either Shareholder approval of the Second Waiver Resolution at the AGM or an undertaking from Mr. Dixon that, upon exercise of the options, he will immediately sell the resulting Ordinary Shares; |
| <b>“Act”</b>                     | means the UK Companies Act 2006, as amended from time to time;                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>“acting in concert”</b>       | has the meaning set out in the Code;                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“AGM”</b>                     | means the annual general meeting of the Company to be held at 11.00 a.m. (Luxembourg time) on 17 May 2016 at 26 Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg;                                                                                                                                                                                                                                                                                      |
| <b>“Capita”</b>                  | means Capita Registrars (Jersey) Limited, a company incorporated in Jersey, whose registered office is at 12 Castle Street, St Helier, Jersey JE2 3RT or Capita Registrars Limited, a company incorporated in England and Wales, whose registered office is at The Registry, 34 Beckenham Road, Beckenham BR3 4TU (as the context dictates);                                                                                                                        |

|                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“Code”</b>                     | means the UK City Code on Takeovers and Mergers;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>“Company”</b>                  | means Regus plc ( <i>société anonyme</i> ), a company incorporated in Jersey with registered number 101523 and whose registered office is at 22 Grenville Street, St Helier, Jersey JE4 8PX, Channel Islands and having its place of central administration (head office) in Luxembourg at 26 Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg and accordingly being registered in Luxembourg as a <i>société anonyme</i> under number R.C.S. Luxembourg B 141159;                                                                                                                                                                                                                                                                                                                                                  |
| <b>“Directors” or “Board”</b>     | means the Executive Directors and the Non-Executive Directors;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>“Estorn”</b>                   | means Estorn Limited, a company incorporated in Cyprus with registered number 188003 and whose registered office is at Elenion Building, 2nd Floor, 5 Themistocles Dervis Street, CY-1066 Nicosia, Cyprus, of which Mr. Dixon owns 100 per cent of the issued share capital and which currently beneficially owns Mr. Dixon’s entire holding of Ordinary Shares;                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>“Executive Directors”</b>      | means Mark Dixon and Dominik de Daniel;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>“Existing Waivers”</b>         | means the 2013 Waiver, the 2014 Waiver, and the 2015 CIP Options Waiver;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>“FCA”</b>                      | means the UK Financial Conduct Authority;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>“First Waiver”</b>             | means a waiver by the Panel of the obligation which would otherwise arise under Rule 9 of the Code requiring Mr. Dixon (or any entity through which Mr. Dixon may hold shares in the Company) to make an offer for the issued share capital of the Company not held by him as a result of the repurchase of up to 15,000,000 Ordinary Shares by the Company pursuant to resolution 24 that could, taking into account all Existing Waivers, increase Mr. Dixon’s shareholding from approximately 31.62 per cent of the total voting rights in the Company to a maximum of approximately 32.27 per cent of the total voting rights in the Company (and, taking into account all Existing Waivers and the Second Waiver, up to a maximum potential holding of approximately 32.31 per cent of total voting rights in the Company); |
| <b>“First Waiver Resolution”</b>  | means resolution 21 set out on page 11 of this document;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>“Form of Proxy”</b>            | means the enclosed proxy form for completion by those Shareholders who wish to vote on the resolutions set out in the notice of AGM in Part II of this document, but who are unable to attend the AGM in person;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>“Group” or “Regus Group”</b>   | means the Company together with its subsidiaries and subsidiary undertakings;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>“IA”</b>                       | has the meaning set out on page 18 of this document;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>“Independent Directors”</b>    | means the Directors other than Mr. Dixon;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>“Independent Shareholders”</b> | means the Shareholders other than Mr. Dixon (or any persons acting in concert with Mr. Dixon);                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

|                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“Investec”</b>                | means Investec Bank plc, a company registered in England and Wales with registered number 00489604, whose registered office is at 2 Gresham Street, London EC2V 7QP;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>“issued share capital”</b>    | means, except where stated to the contrary, the issued share capital of the Company, including treasury shares;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>“Latest Practicable Date”</b> | means 13 April 2016, being the latest practicable date prior to the publication of this document;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>“Non-Executive Directors”</b> | means Lance Browne, Elmar Heggen, Nina Henderson, François Pauly, Florence Pierre and Douglas Sutherland;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>“Ordinary Shares”</b>         | means the ordinary shares of 1 pence each in the capital of the Company;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“Panel”</b>                   | means The UK Panel on Takeovers and Mergers;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>“RCF”</b>                     | has the meaning set out on page 31 of this document;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>“Regus CIP”</b>               | means the Regus Co-Investment Plan under which any employee of a Group company with a minimum period of six months’ continuous service with that company will be eligible to receive awards of conditional shares or nil cost options at the discretion of the Remuneration Committee;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>“Regus DSBP”</b>              | means the Regus Deferred Share Bonus Plan;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>“Regus PSP”</b>               | means the Regus Performance Share Plan;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>“Relevant Securities”</b>     | has the meaning given in Article 11(H)(viii) of the Company’s Memorandum and Articles of Association;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>“Remuneration Committee”</b>  | means the remuneration committee of the Company;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>“Schuldschein”</b>            | has the meaning set out on page 31 of this document;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>“Second Waiver”</b>           | means a waiver by the Panel of the obligation which would otherwise arise under Rule 9 of the Code requiring Mr. Dixon (or any entity through which Mr. Dixon may hold shares in the Company) to make an offer for the issued share capital of the Company not held by him as a result of the exercise by Mr. Dixon of any of the 2016 PSP Options, pursuant to which Mr. Dixon’s interest in the shares of the Company could, taking into account all Existing Waivers, increase from approximately 31.62 per cent of the total voting rights in the Company to a maximum of approximately 31.79 per cent of the total voting rights in the Company (and, taking into account the First Waiver and all Existing Waivers, up to a maximum potential holding of approximately 32.31 per cent of the total voting rights in the Company); |

|                                   |                                                                          |
|-----------------------------------|--------------------------------------------------------------------------|
| <b>“Second Waiver Resolution”</b> | means resolution 22 set out on page 12 of this document;                 |
| <b>“Shareholders”</b>             | means the holders of Ordinary Shares from time to time;                  |
| <b>“total voting rights”</b>      | means the issued share capital of the Company excluding treasury shares; |
| <b>“Waivers”</b>                  | means the First Waiver and the Second Waiver; and                        |
| <b>“Waiver Resolutions”</b>       | means the First Waiver Resolution and the Second Waiver Resolution.      |

## PART I

### LETTER FROM THE CHAIRMAN

**Regus plc (*société anonyme*)**

(the “**Company**”)

(incorporated in Jersey with registered number 101523 and having its place of central administration (head office) in Luxembourg and accordingly being registered in Luxembourg as a *société anonyme* under number R.C.S. Luxembourg B 141159)

**Registered Office:**

22 Grenville Street, St Helier, Jersey JE4 8PX, Channel Islands

**Central administration (head office):**

26 Boulevard Royal, L-2449 Luxembourg,  
Grand Duchy of Luxembourg

**Directors**

Douglas Sutherland (Chairman)  
Mark Dixon (Chief Executive Officer)  
Dominik de Daniel (Chief Financial Officer and Chief Operating Officer)  
Lance Browne (Non-Executive Director)  
Elmar Heggen (Non-Executive Director)  
Nina Henderson (Non-Executive Director)  
François Pauly (Non-Executive Director)  
Florence Pierre (Non-Executive Director)

15 April 2016

**Notice of annual general meeting of the Company to be held on 17 May 2016**

Dear Shareholder,

I am pleased to be writing to you with details of our annual general meeting (“**AGM**”) which we are holding at 11.00 a.m. (Luxembourg time) on Tuesday, 17 May 2016 at 26 Boulevard Royal, L-2449 Luxembourg. The formal notice of AGM is set out on pages 10 to 13 of this document.

We remind you that Luxembourg law requires the Company to prepare both consolidated financial statements for the Group and financial statements for the Company on a standalone basis. The financial statements for both the Group and the Company on a standalone basis have been made available on the Company’s website ([www.regus.com](http://www.regus.com)) and can also be inspected at the locations set out at the end of this letter. You are invited to approve both sets of financial statements in resolutions 1 and 2 of the agenda of the AGM.

If you would like to vote on the resolutions but cannot attend the AGM, please fill in the Form of Proxy sent to you with this notice and return it to our registrars, Capita, as soon as possible. They must receive it by 11.00 a.m. (Luxembourg time) on 15 May 2016. Address details for Capita are set out in paragraph 1 of the procedural notes on page 13 of this document, as well as in the notes to the Form of Proxy. You may also wish to appoint a proxy or proxies online through Capita’s website or through the CREST electronic appointment service. Please see the procedural notes on pages 13 to 15 of this document for further information. ***We urge Shareholders to vote on all resolutions being proposed at the AGM — please ensure that in completing your Form of Proxy you indicate how you wish your proxy to vote on all resolutions.***

I have set out below a brief explanation of some of the business to be dealt with at the AGM. Full explanatory notes on all business to be considered at the AGM appear in Part III on pages 16 to 20 of this document.

## Final dividend

Shareholders are being asked to approve a final dividend of 3.1 pence per Ordinary Share for the year ended 31 December 2015. If you approve the recommended final dividend, this will be paid by the Company on 27 May 2016 to all Shareholders who were on the register of members at the close of business on 29 April 2016. The final dividend is in addition to the interim dividend of 1.4 pence per Ordinary Share which was paid on 2 October 2015 to Shareholders who were on the register of members as at the close of business on 4 September 2015.

All Shareholders are paid dividends directly by the Company. All such dividends should be payable by the Company without deduction of Luxembourg withholding tax, regardless of the residence of the recipient. In general terms, UK resident Shareholders receiving dividends from the Company should be taxed in the same way as if they had received a dividend from a UK company. ***Tax outcomes do, however, depend on the specific circumstances of Shareholders, and any Shareholder in doubt about their tax position (in particular, UK resident but non-UK domiciled individuals who have elected to be taxed on a remittance basis) should consult their own professional adviser without delay.***

## Rule 9 waiver granted by the Panel in favour of Mark Dixon

Mark Dixon (Chief Executive Officer of the Company) held 294,701,874 Ordinary Shares (representing approximately 31.62 per cent of the total voting rights in the Company) as at the Latest Practicable Date. If Mr. Dixon's interests in Ordinary Shares increase beyond its current level, he would be required under Rule 9 of the Code to make a general offer for the issued share capital of the Company not held by him.

Independent Shareholders have previously approved various waivers granted by the Panel in favour of Mr. Dixon relating to the obligations he would otherwise have incurred pursuant to Rule 9 of the Code in connection with any increase in Mr. Dixon's shareholding as a result of either the repurchase by the Company of Ordinary Shares in which Mr. Dixon did not participate on a pro rata basis or as a result of his exercising share options in the Company.

We are now asking the Independent Shareholders to approve the terms of further waivers granted by the Panel to Mr. Dixon relating to any obligations Mr. Dixon might otherwise incur pursuant to Rule 9 of the Code in connection with (a) the repurchase of up to 15,000,000 Ordinary Shares by the Company; and (b) the exercise by Mr. Dixon of any of the 2016 PSP Options. An explanation of the reasons for such a request, the background to the obligation arising from Rule 9 of the Code and details of the Existing Waivers approved by the Independent Shareholders are set out in Part IV of this document.

## General

The Board considers resolutions 1 to 20 (inclusive) and 23 to 25 (inclusive) in the notice of AGM to be in the best interests of the Company and its Shareholders as a whole. Your Board will be voting in favour of these resolutions and unanimously recommends that you do so as well. As at the Latest Practicable Date, the Board's shareholdings amounted to, in aggregate, 295,643,675 Ordinary Shares representing approximately 31.73 per cent of the total voting rights of the Company.

In addition, the Independent Directors, who have been so advised by Investec, consider resolutions 21 and 22 to be fair and reasonable and in the best interests of the Company and the Independent Shareholders as a whole. The Independent Directors will be voting in favour of these resolutions and unanimously recommend that you do so as well. As at the Latest Practicable Date, the Independent Directors' shareholdings amounted to, in aggregate, 941,801 Ordinary Shares representing approximately 0.1 per cent of the total voting rights of the Company.

Yours faithfully,

Douglas Sutherland, Chairman

### *Inspection of documents*

*The following documents will be available for inspection at the Company's head office in Luxembourg at 26 Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg, at the Company's registered office in Jersey at 22 Grenville Street, St Helier, Jersey JE4 8PX, at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY and on the Company's website (www.regus.com) from the date of this Notice of AGM until the end of the AGM:*

- *a copy of this document;*
- *copies of the Executive Directors' service contracts;*
- *copies of the letters of appointment of the Non-Executive Directors;*
- *a copy of the Memorandum and Articles of Association of the Company;*
- *a copy of the annual report and accounts of the Company for the year ended 31 December 2014;*
- *a copy of the annual report and accounts of the Company for the year ended 31 December 2015 which includes, inter alia:*
  - *the consolidated and standalone financial statements;*
  - *a list of the Directors and the independent auditor;*
  - *a list of sovereign debt, shares, bonds and other company securities making up the portfolio;*
  - *the reports of the Board; and*
  - *the reports of the approved independent auditor (réviseur d'entreprises agréé);*
- *the register of members of the Company, which includes a note of any Shareholders who have not paid up their shares, with an indication of the number of their shares and their domicile (note that this information will be available at the offices of Capita in Jersey at 12 Castle Street, St Helier, Jersey JE2 3RT and the Company's head office in Luxembourg only);*
- *the letter of consent from Investec to the Company dated 15 April 2016 referred to in paragraph 10 of Section II of Part IV of this document;*
- *a copy of the Regus PSP; and*
- *a copy of the Regus DSBP.*

## PART II

### NOTICE OF THE 2016 ANNUAL GENERAL MEETING

#### **Regus plc (*société anonyme*)**

Notice is hereby given that this year's annual general meeting will be held at 11.00 a.m. (Luxembourg time) on Tuesday, 17 May 2016 at 26 Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg.

You will be asked to consider and vote upon the resolutions set out below. Resolutions 1 to 20 (inclusive) will be proposed as ordinary resolutions. Resolutions 21 and 22 will be proposed as ordinary resolutions, in which only votes cast by Independent Shareholders will be counted. Mr. Dixon has confirmed to the Company that he and any persons acting in concert with him will abstain from voting on resolutions 21 and 22. Resolutions 23 to 25 (inclusive) will be proposed as special resolutions.

As required by the Company's Memorandum and Articles of Association, voting in respect of all resolutions to be put to the AGM will be conducted by means of a poll.

#### **Agenda of Annual General Meeting and proposed resolutions**

The consolidated financial statements for the Group and standalone financial statements of the Company for the financial year ended 31 December 2015, and the reports of the Board and the independent auditors thereon, will be laid before Shareholders for their consideration at the beginning of the AGM.

#### **Ordinary resolutions**

1. To approve the consolidated financial statements of the Group for the financial year ended 31 December 2015 having received the reports of the Board and the independent auditor (*réviseur d'entreprises agréé*) thereon.
2. To approve the standalone financial statements of the Company for the financial year ended 31 December 2015 having received the reports of the Board and the independent auditor (*réviseur d'entreprises agréé*) thereon.
3. To approve, with effect from 1 January 2016, the Remuneration Policy as set out on pages 44 to 47 of the Company's annual report for the financial year ended 31 December 2015.
4. To approve, on an advisory basis, the Annual Report on Remuneration for the financial year ended 31 December 2015, as set out on pages 48 to 52 of the Company's annual report for the financial year ended 31 December 2015.
5. To approve, with effect from 1 January 2016, the Regus PSP, the full text of which is available on the Company's website, [www.regus.com](http://www.regus.com), and which is summarised on pages 33 to 35 of this notice.
6. To approve, with effect from 1 January 2016, the Regus DSBP, the full text of which is available on the Company's website, [www.regus.com](http://www.regus.com), and which is summarised on pages 35 to 37 of this notice.
7. To grant discharge to each person who has served as a director of the Company during the financial year ended 31 December 2015 in respect of certain duties owed to Shareholders under Luxembourg law during the financial year.
8. To approve the allocation of the net profit of the Company for the year ended 31 December 2015 in an aggregate amount of GBP 119.9 million on the following basis:
  - (A) an interim dividend of 1.4 pence per Ordinary Share, corresponding to an aggregate amount of GBP 13.0 million, which was paid on 2 October 2015 to Shareholders on the register of members at the close of business on 4 September 2015;
  - (B) a final dividend of 3.1 pence per Ordinary Share, corresponding to an aggregate amount of GBP 28.8 million, to be paid on 27 May 2016 to Shareholders on the register of members at the close of business on 29 April 2016; and
  - (C) the balance of the Company's net profit in an amount of GBP 78.1 million to be allocated to the Company's retained earnings account.

9. To approve the re-appointment of KPMG Luxembourg, Société coopérative as approved independent auditor (*réviseur d'entreprises agréé*) of the Company to hold office until the conclusion of next year's annual general meeting.
10. To authorise the Directors to determine the remuneration of KPMG Luxembourg, Société coopérative as approved independent auditor (*réviseur d'entreprises agréé*).
11. To re-elect Mark Dixon as a director of the Company for a term of up to three years.
12. To elect Dominik de Daniel as a director of the Company for a term of up to three years.
13. To re-elect Lance Browne as a director of the Company for a term of up to three years.
14. To re-elect Elmar Heggen as a director of the Company for a term of up to three years.
15. To re-elect Nina Henderson as a director of the Company for a term of up to three years.
16. To re-elect François Pauly as a director of the Company for a term of up to three years.
17. To re-elect Florence Pierre as a director of the Company for a term of up to three years.
18. To re-elect Douglas Sutherland as a director of the Company for a term of up to three years.
19. To resolve that, in substitution for any like authority conferred on them at a previous general meeting, the Directors of the Company be generally and unconditionally authorised to exercise all or any of the powers of the Company pursuant to the Company's Memorandum and Articles of Association to allot and issue Relevant Securities (as defined in Article 11(H)(viii) of the Company's Memorandum and Articles of Association) and to allot and issue shares in pursuance of an employee share scheme (including any employee share scheme of any company that is a subsidiary of the Company):
  - (A) up to an aggregated nominal amount of GBP 3,106,245; and
  - (B) comprising equity securities (as defined in Article 11(H)(iv) of the Company's Memorandum and Articles of Association) up to a nominal amount of GBP 6,212,490 (after deducting from such limit any Relevant Securities allotted under paragraph (A) above) in connection with an offer by way of a rights issue:
    - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
    - (ii) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

for a period expiring (unless this authority is previously renewed, varied or revoked by the Company in a general meeting) at the conclusion of next year's annual general meeting (or, if earlier, at the close of business on 16 August 2017), save that the Company may before such expiry make an offer or agreement which would or might require Relevant Securities (or shares in pursuance of an employee share scheme) to be allotted and issued after such expiry and the Directors may allot and issue Relevant Securities (or shares in pursuance of an employee share scheme) pursuant to such offer or agreement as if the authority conferred hereby had not expired.
20. To authorise the Company to hold as treasury shares any shares purchased or contracted to be purchased by the Company pursuant to the authority granted in resolution 24 prior to the conclusion of next year's annual general meeting (or, if earlier, at the close of business on 16 August 2017), if the Directors of the Company resolve to hold as treasury shares any shares so purchased or contracted to be purchased.
21. To approve the waiver granted by the Panel of the obligation which may otherwise arise, pursuant to Rule 9 of the Code, for Mr. Dixon (or any entity through which Mr. Dixon holds shares in the Company) to make a general offer to the other Shareholders for all of their Ordinary Shares as a result of market purchases of up to 15,000,000 Ordinary Shares by the Company pursuant to the authority granted under resolution 24 that could, taking into account

all Existing Waivers, potentially increase Mr. Dixon's shareholding from approximately 31.62 per cent of the total voting rights in the Company to a maximum of approximately 32.27 per cent of the total voting rights in the Company (and, taking into account the Second Waiver and all Existing Waivers, up to a maximum potential holding of approximately 32.31 per cent of the total voting rights in the Company).

22. To approve the waiver granted by the Panel of the obligation which may otherwise arise, pursuant to Rule 9 of the Code, for Mr. Dixon (or any entity through which Mr. Dixon holds shares in the Company) to make a general offer to the other Shareholders of the Company for all of their Ordinary Shares as a result of the exercise by Mr. Dixon of any of the 2016 PSP Options, pursuant to which Mr. Dixon's interest in the shares of the Company could, taking into account all Existing Waivers, potentially increase from approximately 31.62 per cent of the total voting rights in the Company to a maximum of approximately 31.79 per cent of the total voting rights in the Company (and, taking into account the First Waiver and all Existing Waivers, up to a maximum potential holding of approximately 32.31 per cent of the total voting rights in the Company).

In accordance with the requirements of the Code, Mr. Dixon will not be voting, in respect of resolutions 21 and 22, his interest in 294,701,874 Ordinary Shares, representing approximately 31.62 per cent of the total voting rights in the Company. The votes in respect of resolutions 21 and 22, as is the case for all resolutions to be put to the AGM, will be held by means of a poll.

### **Special resolutions**

23. To resolve that:
- (A) any Director be authorised to make (or cause to be made) from time to time, all necessary amendments to the provisions of the Company's Memorandum and Articles of Association which state the Company's issued share capital to reflect changes in the Company's issued share capital; and
  - (B) the secretary (as defined in the Company's Memorandum and Articles of Association) or any Director be authorised to make (or cause to be made) all necessary:
    - (i) entries in the Company's records and accounts; and
    - (ii) all other formalities, actions, deeds and filings in Jersey or Luxembourg, in connection with each such amendment to the Company's Memorandum and Articles of Association.
24. To resolve that the Board be generally and unconditionally authorised pursuant to article 57 of the Companies (Jersey) Law 1991, article 49-2 of the Luxembourg Companies Laws (as defined in the Company's Memorandum and Articles of Association) and Article 8 of the Company's Memorandum and Articles of Association, to make market purchases of Ordinary Shares, provided that:
- (A) the maximum number of Ordinary Shares authorised to be purchased is 93,187,347 (representing approximately 10 per cent of issued share capital (excluding treasury shares) at the date hereof) further provided that no purchase shall be made from time to time if the nominal value of the Ordinary Shares so purchased together with all other Ordinary Shares held in treasury by the Company would exceed 10 per cent of the nominal value of the issued share capital of the Company at that time;
  - (B) the minimum price, exclusive of any expenses, which may be paid for an Ordinary Share is GBP 0.01;
  - (C) the maximum price, exclusive of any expenses, which may be paid for an Ordinary Share shall be the higher of:
    - (i) an amount equal to five per cent above the average of the middle market quotations for Ordinary Shares taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such shares are contracted to be purchased; and
    - (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange Daily Official List at the time that the purchase is carried out; and

- (D) the authority hereby conferred shall expire at the conclusion of next year's annual general meeting (or, if earlier, at the close of business on 16 August 2017) except that the Company may make a contract or contracts to purchase Ordinary Shares under this authority before the expiry of this authority, which will or may be executed wholly or partly after the expiry of this authority, and may make purchases of Ordinary Shares in pursuance of any such contract as if such authority had not expired.
25. To resolve that the Directors be empowered pursuant to the Company's Memorandum and Articles of Association to allot and issue equity securities (as defined in Article 11(H)(iv) of the Company's Memorandum and Articles of Association) wholly for cash pursuant to the authority conferred by resolution 19 above, and / or where such allotment and issue constitutes an allotment and issue of equity securities by virtue of Article 11(H)(i) of the Company's Memorandum and Articles of Association, as if the pre-emption rights referred to in Article 12 did not apply to such allotment and issue, provided that this power:
- (A) shall expire on the conclusion of next year's annual general meeting (or, if earlier, at the close of business on 16 August 2017), save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted and issued after such expiry and the Directors may allot and issue equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired; and
- (B) shall be limited to:
- (i) the allotment and issue of equity securities in connection with a rights issue, open offer or pre-emptive offer in favour of holders of Ordinary Shares (excluding any shares held by the Company as treasury shares) where the equity securities respectively attributable to the interests of such holders of Ordinary Shares on a fixed record date are proportionate (as nearly as may be) to the respective numbers of Ordinary Shares subject to any exclusions or other arrangements as the Directors may deem necessary or expedient to deal with equity securities representing fractional entitlements and / or to deal with legal or practical problems arising under the laws of, or requirements of, any recognised regulatory body or any stock exchange in any territory or any other matter whatsoever; and
- (ii) the allotment and issue of equity securities wholly for cash otherwise than pursuant to paragraph (B)(i) above up to an aggregate nominal amount of GBP 931,873 (representing approximately ten per cent of the Company's issued share capital (excluding shares held in treasury) as at the date hereof).

15 April 2016

By order of the Board

Lynsey Blair, Company Secretary

**Registered Office:**

22 Grenville Street, St Helier, Jersey JE4 8PX, Channel Islands

Registered in Jersey No. 101523

**Central administration (head office):**

26 Boulevard Royal, L-2449 Luxembourg

Registered in Luxembourg No. R.C.S. Luxembourg B 141159

**Notes**

- Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the AGM. A Shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder and further provided that either (i) each proxy is appointed in respect of a different shareholding account of that Shareholder, or (ii) the Shareholder appointing multiple proxies in respect of its shareholding is a professional that is acting on behalf of other individuals or bodies corporate in respect of its shareholding. A proxy need not be a Shareholder of the Company. A Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a Form of

Proxy and believe that you should have one, or if you require additional forms, please contact Capita Asset Services on 0871 664 0300. Calls to this number cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 9.00 a.m. (UK time) to 5.30 p.m. (UK time), Monday to Friday (with the exception of UK bank and public holidays). To be valid, any Form of Proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Capita Registrars (Jersey) Limited, PXS, 34 Beckenham Road, Beckenham, BR3 4TU no later than 11.00 a.m. (Luxembourg time) on 15 May 2016. Shareholders wishing to appoint a proxy electronically should do so by 11.00 a.m. (Luxembourg time) on 15 May 2016 by visiting [www.capitashareportal.com](http://www.capitashareportal.com) and following the instructions.

2. The return of a completed Form of Proxy or online proxy appointment or CREST Proxy Instruction (as defined in paragraph 10 below) will not prevent a Shareholder attending the AGM and voting in person if he / she wishes to do so.
3. In the case of a member which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
4. Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.
5. Any person to whom this notice is sent who is a person nominated under Article 62 of the Company's Articles of Association to enjoy information rights (a "**Nominated Person**") may, under an agreement between him / her and the Shareholder by whom he / she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he / she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.
6. The statements of the rights of Shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above do not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by Shareholders. Nominated Persons are reminded that they should contact the registered holder of their shares (and not the Company) on matters relating to their investment in the Company.
7. Pursuant to Article 40(1) of the Companies (Uncertificated Securities) (Jersey) Order 1999, to be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the register of members of the Company at 6.00 p.m. (Luxembourg time) on 15 May 2016 (or, in the event of any adjournment, 6.00 p.m. (Luxembourg time) on the date which is two days before the time of the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meetings. Any person who has sold or otherwise transferred his or her registered holding of Ordinary Shares in the Company (the "**Transferring Shareholder**") should pass all the documentation he or she has received in relation to the AGM to the purchaser or transferee or to the person who arranged for the sale or transfer so they can pass those documents to the person who now holds the shares. In selling or otherwise transferring such shares, the Transferring Shareholder will cede his / her / its rights to attend and vote at the AGM to the purchaser or transferee. All Shareholders, and only those Shareholders, who are registered in the register of members of the Company at 6.00 p.m. (Luxembourg time) on 15 May 2016 shall be entitled to attend and vote at the AGM.
8. As at the Latest Practicable Date, the Company's issued share capital consists of 950,969,822 Ordinary Shares, of which 19,096,349 are held in treasury. The total voting rights in the Company are therefore 931,873,473.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available at [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 11.00 a.m. (Luxembourg time) on 15 May 2016. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Article 34 of the Companies (Uncertificated Securities) (Jersey) Order 1999.
13. A Shareholder which is a body corporate and which wishes to be represented at the AGM, other than by way of a proxy, by a person with authority to speak and vote (a "**corporate representative**") must appoint such a person by resolution of its directors or other governing body. A corporate representative has the same powers on behalf of the body corporate he / she represents as that body corporate could exercise if it was an individual member of the Company.

14. As provided in Article 82 of the Company's Memorandum and Articles of Association, voting on all resolutions set out in this notice (which are Substantive Resolutions under the Company's Memorandum and Articles of Association) will be conducted by way of a poll rather than on a show of hands.
15. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
16. If you submit more than one valid proxy appointment in respect of the same share, the appointment received last before the latest time for the receipt of proxies will take precedence.
17. Members who have general queries about the AGM should contact the Company's registrar, Capita, on its shareholder helpline 0871 664 0300. Calls to this number cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 9.00 a.m. (UK time) to 5.30 p.m. (UK time), Monday to Friday (with the exception of UK bank and public holidays). No other method of communication will be accepted. You may not use any electronic address provided either in this notice or any related documents (including the Letter from the Chairman and Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
18. Under Article 64 of the Company's Memorandum and Articles of Association, Shareholders meeting the threshold requirements set out in that Article have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office. The Company would not require the Shareholders requesting such a website publication to pay the Company's expenses in complying with Article 64 and, if required to place a statement on a website under that Article, it will forward the statement to the Company's auditor not later than the time it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under Article 64 to publish on a website.
19. Any member attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (ii) the answer has already been given on a website in the form of an answer to a question, or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
20. Shareholders have certain rights to request that the Company add an item to the agenda of the AGM or to provide a draft resolution to be proposed at the AGM. To be valid, such a request must be received by the Company at its head office (26 Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg or [lynsey.blair@regus.com](mailto:lynsey.blair@regus.com)) not later than 25 April 2016 and must meet certain other requirements. Further information regarding the other requirements that must be met for Shareholders to exercise these rights can be found in Article 60 (Members' resolutions) and Article 63 (Addition of points to agenda) of the Company's Memorandum and Articles of Association, which are available on the Company's website at [www.regus.com](http://www.regus.com).
21. A copy of this notice (which contains the full unabridged text of the resolutions to be proposed at the AGM), a copy of the Company's Memorandum and Articles of Association and, where relevant, any members' statements, members' resolutions and members' matters of business received by the Company after the date of this notice, can be found at [www.regus.com](http://www.regus.com). The documents to be submitted to the AGM (being the consolidated and standalone financial statements of the Company for the financial year ended 31 December 2015, and the reports of the Board and the approved independent auditors thereon) form part of the annual report of the Company for the year ended 31 December 2015, which is also available at [www.regus.com](http://www.regus.com). Should you wish to request a further copy of this document or the annual report, please send your request to Capita Registrars (Jersey) Limited, 12 Castle Street, St Helier, Jersey JE2 3RT or [shareholderenquiries@capita.co.uk](mailto:shareholderenquiries@capita.co.uk).

## **PART III**

### **EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING**

The notes on the following pages give an explanation of the proposed resolutions at the AGM.

Resolutions 1 to 20 (inclusive) in the notice of AGM will be proposed as ordinary resolutions. This means that, for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 21 and 22 will be proposed as ordinary resolutions where only votes cast by Independent Shareholders will be counted. This means that, for each of those resolutions to be passed, more than half of those votes cast by Independent Shareholders on the poll must be in favour of the resolution. Mr. Dixon has confirmed to the Company that he and any persons acting in concert with him will abstain from voting on resolutions 21 and 22. Resolutions 23 to 25 (inclusive) will be proposed as special resolutions. This means that, for each of those resolutions to be passed, at least two-thirds of the votes cast must be in favour of the resolution.

As provided in Article 82 of the Company's Memorandum and Articles of Association, voting on all resolutions set out in this notice will be conducted by way of a poll rather than on a show of hands. The quorum for the AGM is two members present in person or by proxy and entitled to vote (but no fewer than two individuals shall constitute a quorum).

#### **Annual General Meeting**

##### **Resolutions 1 to 4: Directors' reports, financial statements and remuneration policy**

The Directors are required to present to the AGM the directors' and auditors' reports and the financial statements of both the Company and the Group for the year ended 31 December 2015. In resolutions 1 and 2, Shareholders are invited to approve the financial statements for the financial year ended 31 December 2015.

In resolutions 3 and 4, Shareholders are further invited to approve the Remuneration Policy and the Annual Report on Remuneration. Shareholders will be aware of the remuneration reporting regulations which regulate UK-incorporated companies listed on the London Stock Exchange. As a company incorporated in Jersey and having its place of central administration (head office) in Luxembourg, we are not legally required to comply with these regulations. However, in keeping with our long-standing commitment to good corporate governance, we continue to voluntarily prepare an Annual Report on Remuneration and seek approval for our Remuneration Policy, and we will do so on the basis of the requirements of the regulations. The Remuneration Policy, as set out on pages 44 to 47 of the Company's annual report for the financial year ended 31 December 2015 will, subject to obtaining shareholder approval, take effect from 1 January 2016 and will supersede the policy approved by Shareholders in 2014. The Annual Report on Remuneration is set out on pages 48 to 52 of the Company's annual report for the financial year ended 31 December 2015. The vote on the Annual Report on Remuneration will be on an advisory basis.

##### **Resolutions 5 and 6: Regus PSP and Regus DBSP**

In resolutions 5 and 6, Shareholders are invited to approve the Regus PSP and the Regus DSBP. The rules of the Regus PSP and the Regus DSBP are available on the Company's website (<http://www.regus.com>). Summaries of the principal terms of the Regus PSP and the Regus DSBP are detailed in the appendix to this notice on page 33.

##### **Resolution 7: Discharge of directors of the Company for the financial year ended 31 December 2015**

In resolution 7, Shareholders are invited to "grant discharge to" all persons who have served as a director of the Company during the financial year ended 31 December 2015 in respect of the performance of their duties owed to the Company under Luxembourg law during that financial year. The proposal of such a resolution to "grant discharge to" the directors of a company at each annual general meeting at which the directors' reports and financial statements are laid and approved is customary under Luxembourg law. By approving this resolution 7, Shareholders confirm that, based on the Directors' reports and other financial statements for the year ended 31 December 2015, the Directors (and Dominique Yates, who was a director of the Company until 1 November 2015) have carried out their mandate to the Company successfully and can therefore be "granted discharge" in respect of the previous financial year. The Directors (and former director) will then be deemed to have

complied with the various duties imposed on them by Luxembourg company law, and which were owed to Shareholders during the financial year ended 31 December 2015, based on the Directors' reports and the financial statements for the financial year ended 31 December 2015.

#### **Resolution 8: Declaration of final dividend**

Final dividends of the Company must be approved, and interim dividends must be confirmed, by the Shareholders. The Board has recommended a final dividend of 3.1 pence per Ordinary Share which, provided Shareholders approve this resolution 8, will be paid by the Company on 27 May 2016 to all Shareholders on the register of members at the close of business on 29 April 2016.

The final dividend is in addition to the interim dividend of 1.4 pence per Ordinary Share paid on 2 October 2015 to Shareholders on the register of members at the close of business on 4 September 2015.

Following the discontinuation of the Company's dividend access arrangements, all Shareholders are now paid dividends directly from the Company. All such dividends should be payable by the Company without deduction of Luxembourg withholding tax, regardless of the residence of the recipient. In general terms, UK resident Shareholders receiving dividends from the Company should be taxed in the same way as if they had received a dividend from a UK company. ***Tax outcomes do however depend on the specific circumstances of Shareholders and any Shareholder in doubt about his / her tax position (including, in particular, UK resident but non-UK domiciled individuals who have elected to be taxed on a remittance basis) should consult their own professional adviser without delay.***

#### **Resolutions 9 and 10: Re-appointment and remuneration of auditors**

The approved independent auditor (*réviseur d'entreprises agréé*) of the Company must be appointed or re-appointed at each annual general meeting. Resolution 9 proposes the re-appointment of the Company's existing approved independent auditor (*réviseur d'entreprises agréé*), KPMG Luxembourg, Société cooperative (formerly KPMG Luxembourg S.à r.l.), for a further year. Resolution 10 gives the Directors authority to determine the remuneration of the approved independent auditor (*réviseur d'entreprises agréé*).

#### **Resolutions 11 to 18: Election and re-election of directors**

Under Article 102(i) of the Company's Memorandum and Articles of Association, Dominik de Daniel is required to retire, since he has been appointed by the Board since the last annual general meeting. Further the UK Corporate Governance Code (as amended), which applies to all companies with a premium listing of equity shares regardless of whether they were incorporated in the UK or elsewhere, states that all directors of FTSE 350 companies are required to retire and offer themselves for re-election annually. Accordingly, each of the remaining Directors will also retire and offer him or herself for re-election this year.

Biographical details of the Directors can be found on pages 28 and 29 of the Company's annual report for the financial year ended 31 December 2015 (the "**Directors' Biographies**"). Each of these Directors (save for Dominik de Daniel who, as disclosed above, was recently appointed to the Board for the first time) participated in an internal performance evaluation in respect of 2015 and the Board is satisfied that they continue to be an effective member of the Board and demonstrates commitment to his or her role.

Shareholders will be aware that in May 2014, the FCA announced the commencement of new rules which provide protections for the minority shareholders of a premium listed company in which there is a "controlling shareholder" (defined by the FCA as "any person who exercises or controls, on their own or together with any person with whom they are acting in concert, 30% or more of the votes able to be cast on all or substantially all matters at general meetings of the company"). Under these rules, the election or re-election by the Shareholders of an independent Director must be approved by an ordinary resolution of the Shareholders and separately approved by the Independent Shareholders. If the ordinary resolution to approve the election or re-election of an existing independent Director is passed, but separate approval by the Independent Shareholders is not given, the FCA's Listing Rules permit an existing independent Director to remain in office pending a further ordinary resolution of all the Shareholders to approve the election or re-election of that Director. Such a resolution may only be voted on within the period of between 90 days and 120 days following the date of the original vote.

The Company intends to seek the separate approval of its Independent Shareholders for each of resolutions 13 to 18 proposing the election of an independent Director. Such approval will be sought following the vote on each of those resolutions by the Shareholders and will be sought by discounting from the result of the vote on each such resolution the votes of those Shareholders who are identified as controlling shareholders of the Company as at 6.00 p.m. (Luxembourg time) on 15 May 2016 (or, in the event of any adjournment, 6.00 p.m. (Luxembourg time) on the date which is two days before the time of the adjourned meeting). As at the Latest Practicable Date, Mr. Dixon held 294,701,874 Ordinary Shares in the Company, representing approximately 31.62 per cent of the total voting rights in the Company.

Separate approval will be given by the Independent Shareholders if it is given by Independent Shareholders representing a simple majority of the total voting rights of Independent Shareholders who vote. The Company will, on announcing the result of the AGM, announce, in respect of resolutions 13 to 18, the result of both the vote of the Shareholders and the vote of the Independent Shareholders.

If separate Independent Shareholder approval is not given for any relevant resolution, the Company intends that the relevant appointment will continue for 120 days from the date of the original vote, unless a further ordinary resolution for re-election is passed. If a further resolution to approve the re-election of the relevant Director is defeated, his or her appointment will cease on that resolution being defeated.

The Company considers that each independent Director is independent by taking into consideration the independence criteria set by the UK Corporate Governance Code and the different relationships explained in the Directors' Biographies. The Company confirms that there have been no previous or existing relationships, transactions or arrangements between each of the independent Directors and the Company, any of its Directors, Mr. Dixon or any associate of Mr. Dixon. In light of their career experience and knowledge, the Board considers that each independent Director brings valuable skills to the Board and provides an impartial viewpoint. Each independent Director went through a thorough and rigorous interview process by all members of the Nomination Committee.

#### **Resolution 19: Directors' authority to allot shares**

Pursuant to Article 11 of the Company's Memorandum and Articles of Association, the Directors require the authority of the Shareholders in general meeting to allot unissued shares of the Company and this resolution seeks to renew that authority.

Paragraph (A) of this resolution would give the directors the authority to allot Ordinary Shares up to an aggregate nominal amount equal to GBP 3,106,245 (representing 310,624,491 Ordinary Shares of GBP 0.01 each). This amount represents approximately one-third (33.33 per cent) of the issued share capital (excluding treasury shares) of the Company as at the Latest Practicable Date.

In line with guidance issued by the Investment Association (the "IA"), paragraph (B) of this resolution would give the Directors authority to allot Ordinary Shares or grant rights to subscribe for or convert any securities into Ordinary Shares in connection with a rights issue in favour of Shareholders up to an aggregate nominal amount equal to GBP 6,212,490 (representing 621,248,982 Ordinary Shares), as reduced by the nominal amount of any shares issued under paragraph (A) of this resolution. This amount (before any reduction) represents approximately two-thirds (66.67 per cent) of the issued share capital (excluding treasury shares) of the Company as at the Latest Practicable Date.

The authorities sought under paragraphs (A) and (B) of this resolution will last until the conclusion of next year's annual general meeting (or, if earlier, at the close of business on 16 August 2017). The Directors have no present intention to exercise either of the authorities sought under this resolution. The Directors intend to follow IA recommendations concerning the use of the authorities sought under paragraphs (A) and (B) of this resolution (including as regards the Directors standing for re-election in certain cases).

As at the Latest Practicable Date, 19,096,349 Ordinary Shares are held by the Company in treasury, representing approximately 2.05 per cent of the Company's issued share capital (excluding treasury shares) as at that date.

#### **Resolution 20: Authority to hold repurchased shares in treasury**

Resolution 24 seeks authority for the Company to repurchase its own shares on the market. Under Jersey law any shares so repurchased (or, as the case may be, contracted to be repurchased) are

automatically cancelled on repurchase unless Shareholders have authorised the holding of shares in treasury by the Company. Under Luxembourg law shares repurchased in accordance with Article 49-2 of the Luxembourg Companies Law are automatically held in treasury and can only be cancelled by way of shareholder resolution. Accordingly, this resolution 20 seeks authority for the Company to hold as treasury shares any shares purchased or contracted to be purchased by the Company pursuant to the authority granted in resolution 24.

As at the Latest Practicable Date, 19,096,349 Ordinary Shares are held by the Company in treasury. The Company may at any time hold in treasury shares having, in aggregate, a maximum nominal value of ten per cent of the issued share capital of the Company.

#### **Resolutions 21 and 22: Approval of Rule 9 waiver**

In accordance with the requirements of Rule 9 of the Code we are asking the Independent Shareholders to approve the terms of the Waivers in favour of Mr. Dixon for the reasons set out in Part IV of this document.

In accordance with the requirements of the Code, Mr. Dixon will not be voting, in respect of resolutions 21 or 22, his interest in 294,701,874 Ordinary Shares in the Company, representing approximately 31.62 per cent of the total voting rights in the Company. The votes in respect of resolutions 21 and 22, as is the case for all resolutions to be put to the AGM, will be held by means of a poll.

#### **Resolution 23: Approval for Directors to amend the Company's Memorandum and Articles of Association**

Under Luxembourg law, a company must state not only its authorised share capital but also its issued share capital in its articles of association. To comply with Luxembourg law in this regard, the Company will update, if required, the statement of its issued share capital which appears in its Memorandum and Articles of Association to reflect any increase in the number of Ordinary Shares in issue (as a consequence of the exercise of any options or otherwise). This update is made by the Directors requesting that a Luxembourg public notary make the necessary amendment and file the amended Memorandum and Articles of Association with the Luxembourg RCS (Trade and Companies Registry). The amended Memorandum and Articles of Association will also be filed with the Jersey Companies Registry. As under Jersey law any amendment to the Memorandum and Articles of Association of the Company requires a special resolution, Shareholders are asked to pass this special resolution 23 to approve the updating and filing of amended Memorandum and Articles of Association from time to time in Jersey during the forthcoming year so that the issued share capital statement can be updated, if required.

#### **Resolution 24: Authority to purchase own shares**

In certain circumstances, it may be advantageous for the Company to purchase its own shares and resolution 24 seeks authority from Shareholders to make such purchases in the market. The Directors consider it desirable for this general authority to be available to provide flexibility in the management of the Company's capital resources. The Directors would do so only when, in the light of prevailing market conditions, they believe that the effect of such purchases is in the best interests of the Company and Shareholders generally and could be expected to result in an increase in the earnings per share of the Company. Any Ordinary Shares purchased under this authority will be held in treasury (until such time as Shareholders approve their cancellation in accordance with Luxembourg law). The Directors have no present intention of exercising the authority to make market purchases, but the authority provides the flexibility to allow them to do so.

Resolution 24 specifies the maximum number of shares which may be purchased (representing approximately ten per cent of the Company's issued share capital (excluding treasury shares) as at the date of this notice) and the minimum and maximum prices at which they may be bought. Shares will not be purchased pursuant to this authority if the nominal value of the shares so purchased together with all other Ordinary Shares held in treasury by the Company would exceed ten per cent of the Company's issued share capital at the time of such purchase. The authority given by resolution 24 will last until the conclusion of next year's annual general meeting or, if earlier, at the close of business on 16 August 2017 (unless otherwise revoked or varied by the Company in general meeting). The Directors intend to seek renewal of this power at subsequent annual general meetings.

The total number of outstanding options to subscribe for Ordinary Shares as at the Latest Practicable Date was 33,370,257. This represents approximately 3.58 per cent of the issued share capital (excluding treasury shares) of the Company at that date. If the Company were to buy back the

maximum number of Ordinary Shares permitted pursuant to the authority granted at the annual general meeting in 2015 and pursuant to the passing of this resolution, then the total number of options to subscribe for shares outstanding at the Latest Practicable Date would represent approximately 3.89 per cent of issued share capital (excluding treasury shares).

As at the Latest Practicable Date, 19,096,349 Ordinary Shares are held by the Company in treasury.

#### **Resolution 25: Directors' power to disapply pre-emption rights**

Under Article 12 of the Company's Memorandum and Articles of Association, the Directors require the authority of Shareholders in a general meeting to waive the application of any statutory pre-emption rights applicable to the Company under Luxembourg law and to disapply the pre-emption rights set out in Article 12(B) so that they can allot shares in the Company for cash otherwise than to existing holders of Ordinary Shares pro rata to their holdings or, alternatively, should appropriate circumstances arise, allot shares in connection with a rights issue (subject to some limited exclusions). On 12 March 2015, the Pre-Emption Group issued a revised Statement of Principles, which stated that, in addition to the standard annual disapplication of pre-emption rights up to a maximum of five per cent of issued ordinary share capital, the Pre-Emption Group is now supportive of extending the general disapplication authority for certain purposes. In line with the revised Statement of Principles, the power under the authority granted pursuant to resolution 25 shall be limited to allotments or sales of equity securities in connection with pre-emptive offers or otherwise up to an aggregate nominal value of GBP 931,873, being approximately ten per cent of the issued share capital of the Company (excluding shares held in treasury) as at the Latest Practicable Date. The Company confirms its intention that the additional authority of up to GBP 465,937 (equal to approximately five per cent of the issued share capital of the Company (excluding shares held in treasury) as at the Latest Practicable Date) will only be used to fund one or more acquisitions or specified capital investments, as referred to in the revised Statement of Principles, each of which shall be announced contemporaneously with the issue, or which shall have taken place in the preceding six-month period and be disclosed in the announcement of the issue. In respect of this aggregate nominal amount, the Directors confirm their intention to follow the provisions of the Statement of Principles regarding cumulative usage of authorities within a rolling three-year period where the Principles provide that usage in excess of 7.5 per cent should not take place without prior consultation with Shareholders, save that such limit shall exclude any issue pursuant to the additional authority referred to above.

At the present time there is no intention to exercise this power except to satisfy options under the Company's share option schemes. The authority will expire at the conclusion of next year's annual general meeting of the Company (or, if earlier, at the close of business on 16 August 2017).

## PART IV

### APPROVAL OF THE RULE 9 WAIVERS

#### SECTION I — BACKGROUND

##### 1. Background

- 1.1 Mark Dixon (Chief Executive Officer of the Company) held 294,701,874 Ordinary Shares (representing approximately 31.62 per cent of the total voting rights in the Company) at the Latest Practicable Date. If his interests in Ordinary Shares increase beyond their current level, he would be required under Rule 9 of the Code to make a general offer for the issued share capital of the Company not held by him.

##### **2013 Waivers**

- 1.2 At the annual general meeting of the Company held on 21 May 2013 (the “**2013 AGM**”), Shareholders approved two waivers granted by the Panel in respect of the obligation for Mr. Dixon to make a general offer to the other Shareholders for all of their Ordinary Shares, such obligation arising pursuant to Rule 9 of the Code, in the event of (i) a repurchase by the Company of up to 20,000,000 Ordinary Shares in which Mr. Dixon did not participate pro rata to his interest (which waiver has expired, together with the relevant repurchase authority), and / or (ii) Mr. Dixon exercising any of the 2013 CIP Options (the “**2013 Waiver**”).

##### **2014 Waivers**

- 1.3 At the annual general meeting of the Company held on 20 May 2014 (the “**2014 AGM**”), Shareholders approved two waivers granted by the Panel in respect of the obligation for Mr. Dixon to make a general offer to the other Shareholders for all of their Ordinary Shares, such obligation arising pursuant to Rule 9 of the Code, in the event of (i) a repurchase by the Company of 15,000,000 Ordinary Shares in which Mr. Dixon did not participate pro rata to his interest (which waiver has expired, together with the relevant repurchase authority), and / or (ii) Mr. Dixon exercising any of the 2014 CIP Options (the “**2014 Waiver**”).

##### **2015 Waivers**

- 1.4 At the annual general meeting of the Company held on 19 May 2015 (the “**2015 AGM**”), Shareholders approved two waivers granted by the Panel in respect of the obligation which would otherwise arise pursuant to Rule 9 of the Code in the event of an increase in Mr. Dixon’s interest in Ordinary Shares as a result of (i) a repurchase by the Company of Ordinary Shares in which Mr. Dixon did not participate pro rata to his interest (the “**2015 Repurchase Waiver**”)<sup>1</sup> of up to 15,000,000 Ordinary Shares, and / or (ii) Mr. Dixon exercising any of the 2015 CIP Options (the “**2015 CIP Options Waiver**” and, together with the 2015 Repurchase Waiver, the “**2015 Waivers**”).<sup>2</sup>

##### 2. Waivers proposed for 2016

###### **The First Waiver**

- 2.1 The Directors are again seeking a general authority to make market purchases of the Company’s shares, pursuant to resolution 24, at this year’s AGM. It is noted that market purchases of the Company’s Ordinary Shares may be used, among other matters, to facilitate share transactions arising from equity-based compensation schemes for employees. The approval of the Independent Shareholders is being sought, by means of the First Waiver Resolution (to be taken on a poll at the AGM), for a waiver which the Panel has granted (subject to Independent Shareholder approval) in respect of increases in Mr. Dixon’s interest in Ordinary Shares as a result of market purchases by the Company of up to 15,000,000 Ordinary Shares (representing 1.58 per cent of issued share capital and 1.61 per cent of the total voting rights of the Company), pursuant to the authority granted by resolution 24. The First Waiver (taking into account all Existing Waivers) will not permit Mr. Dixon’s interest to exceed 32.27 per cent of the total voting rights of the Company and (taking into account the Second Waiver and all

<sup>1</sup> The 2015 Repurchase Waiver will expire, together with the relevant repurchase authority, at the end of the AGM. Accordingly, only the Existing Waivers are taken into consideration for the purposes of calculating Mr. Dixon’s maximum potential holding in the Company.

Existing Waivers) will not permit Mr. Dixon's interest to exceed 32.31 per cent of the total voting rights of the Company. See paragraph 5 below.

### ***The Second Waiver***

- 2.2 On 3 March 2016, Mr. Dixon was granted options under the Regus PSP in respect of 552,579 Ordinary Shares (the “**2016 PSP Options**”), conditional upon shareholder approval of the Regus PSP and either shareholder approval of the Second Waiver Resolution at the Company's annual general meeting or an undertaking from Mr. Dixon that upon exercise of the awards he will immediately sell the resulting shares. 552,579 of the 2016 PSP Options will be capable of exercise on 3 March 2021, provided that Mr. Dixon remains in continuous service with the Company until that date and to the extent that any performance conditions attached to the 2016 PSP Options have been satisfied. Mr. Dixon has yet to exercise the 2016 PSP Options but, were he to do so at some point in the future and not arrange for the immediate sale of the underlying Ordinary Shares he is entitled to receive, his interest in the Ordinary Shares would increase beyond its current level, thereby triggering a mandatory offer under Rule 9 of the Code. The approval of the Independent Shareholders is therefore being sought, by means of the Second Waiver Resolution (to be taken on a poll at the AGM) for the Second Waiver which the Panel has granted (subject to such Independent Shareholder approval). If the Second Waiver Resolution is not approved by the Independent Shareholders, Mr. Dixon will either not be able to exercise any of the 2016 PSP Options or he will have to immediately sell the Ordinary Shares received as a result of the exercise of those options. The Second Waiver (taking into account all Existing Waivers) will not permit Mr. Dixon's interest to exceed 31.79 per cent of the total voting rights of the Company and (taking into account the First Waiver and all Existing Waivers) will not permit Mr. Dixon's interest to exceed 32.31 per cent of the total voting rights of the Company. See paragraph 5 below.

### **3. Reasons for the Waivers**

#### ***Rule 9 mandatory offer obligation***

- 3.1 Under Rule 9 of the Code, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent of the voting rights but does not hold shares carrying more than 50 per cent of the voting rights of such a company, and such person, or any persons acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, a general offer will normally be required to be made by him. Such an offer would have to be made in cash at a price not less than the highest price paid by him, or by any member of the group of persons acting in concert with him, for any interest in shares in the company during the 12 months prior to the announcement of the offer.

#### ***Share Repurchases***

- 3.2 Under Rule 37 of the Code, any increase in the percentage holding of a shareholder which results from a company purchasing its own shares will also be treated as an acquisition for the purposes of Rule 9 of the Code.
- 3.3 If Mr. Dixon does not participate pro rata to his interest in the Ordinary Shares in any future repurchases by the Company of its own shares pursuant to the authority to be granted under resolution 24, he will become interested in a greater percentage of Ordinary Shares representing between 30 and 50 per cent of the Company's shares carrying voting rights and will therefore be subject to the provisions of Rule 9 of the Code.
- 3.4 As a result, the Independent Directors have consulted with the Panel which has agreed, subject to a poll vote of the Independent Shareholders on the First Waiver Resolution, that it would waive any obligation that would otherwise arise under Rule 9 as a result of market purchases by the Company of up to 15,000,000 Ordinary Shares pursuant to the authority to be granted under resolution 24, that would, taking into account all Existing Waivers, take Mr. Dixon's interest in Ordinary Shares to a level above his current interest (being 31.62 per cent of the total voting rights in the Company) up to a potential maximum of approximately 32.27 per cent. Further, assuming that the First Waiver Resolution is approved and taking into account the Second Waiver and all Existing Waivers, Mr. Dixon would have a maximum potential holding of approximately 32.31 per cent of the total voting rights in the Company.

## 2016 PSP Options

- 3.5 If Mr. Dixon exercises any of the 2016 PSP Options he will become interested in a greater percentage of Ordinary Shares representing between 30 and 50 per cent of the Company's shares carrying voting rights and will therefore be subject to the provisions of Rule 9 of the Code.
- 3.6 As a result, the Independent Directors have consulted with the Panel which has agreed, subject to a poll vote of the Independent Shareholders on the Second Waiver Resolution, that it would waive any obligation that would otherwise arise under Rule 9 as a result of the exercise by Mr. Dixon of any of the 2016 PSP Options, that would, taking into account all Existing Waivers, take Mr. Dixon's interest in Ordinary Shares to a level above his current interest (being 31.62 per cent of the total voting rights in the Company) up to a potential maximum of approximately 31.79 per cent. Further, assuming that the Second Waiver Resolution is approved and taking into account the First Waiver and all Existing Waivers, Mr. Dixon would have a maximum potential holding of approximately 32.31 per cent of the total voting rights in the Company.

## 4. Independent advice

- 4.1 Investec has provided advice to the Independent Directors, in accordance with the requirements of paragraph 4(a) of Appendix 1 to the Code, in relation to the granting of the Waivers. As part of its advice to the Independent Directors in connection with the Waivers, Investec considered the following factors:
- (A) Investec believes that Mr. Dixon's continued shareholding forms an important part of the investment case for Shareholders, since it aligns his interests with Shareholders' interests;
  - (B) given Mr. Dixon's position as Chief Executive Officer of the Company, Investec believes that Shareholders should welcome the long-term participation by Mr. Dixon in the equity of the Company; and
  - (C) Investec believes that the maximum potential increase in Mr. Dixon's shareholding resulting from the repurchase of Ordinary Shares and the exercise of the 2016 PSP Options will not be material from a control perspective.
- 4.2 This advice was provided by Investec to the Independent Directors of the Company only and, in providing such advice, Investec has taken into account the Independent Directors' commercial assessments as well as Mr. Dixon's confirmation of his future intentions provided to the Company as set out in paragraph 7 of this Section I of this Part IV.

## 5. Maximum potential holding

- 5.1 Pursuant to the Code, it is necessary to provide an illustration of Mr. Dixon's maximum potential interest in Ordinary Shares, based on certain assumptions.

### Share Repurchases

- 5.2 Assuming (i) the repurchase of 15,000,000 Ordinary Shares pursuant to the authority granted in resolution 24; (ii) no pro rata participation or other sales of interests in Ordinary Shares by Mr. Dixon in connection with any share repurchases or otherwise; (iii) full exercise by Mr. Dixon of all options held by Mr. Dixon as at the Latest Practicable Date (being the options in respect of 1,679,779 Ordinary Shares granted under the Existing Waivers)<sup>3</sup> and all option exercises being satisfied out of treasury or with newly-issued shares; and (iv) no other person exercising any options or any other rights to subscribe for Ordinary Shares, Mr. Dixon's maximum potential interest in the Ordinary Shares if the First Waiver is approved would be as set out in the following table<sup>4</sup>:

| Mr. Dixon's current interest in Ordinary Shares | Number of Ordinary Shares in issue as at the Latest Practicable Date | Potential number of Ordinary Shares in issue using assumptions in 5.2 | Mr. Dixon's maximum potential interest in Ordinary Shares using assumptions in 5.2 |
|-------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------------------------------------------------------------------|
| 294,701,874/31.62% . . . . .                    | 931,873,473                                                          | 918,553,252                                                           | 296,831,653/32.27%                                                                 |

<sup>3</sup> Only the Existing Waivers are taken into consideration for the purposes of calculating Mr. Dixon's maximum potential holding in the Company in paragraph 5.2.

<sup>4</sup> These figures exclude treasury shares.

## 2016 PSP Options

- 5.3 Assuming (i) full exercise by Mr. Dixon of all the 2016 PSP Options together with all other options held by Mr. Dixon as at the Latest Practicable Date (being the options in respect of 1,679,779 Ordinary Shares granted under the Existing Waivers) and all option exercises being satisfied out of treasury or with newly-issued shares and (ii) no other person exercising any options or any other rights to subscribe for interests in the Ordinary Shares, Mr. Dixon's maximum potential interest in Ordinary Shares if the Second Waiver is approved would be as set out in the following table<sup>5</sup>:

| Mr. Dixon's current interest in Ordinary Shares | Number of Ordinary Shares in issue as at the Latest Practicable Date | Potential number of Ordinary Shares in issue using assumptions in 5.3 | Mr. Dixon's maximum potential interest in Ordinary Shares using assumptions in 5.3 |
|-------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------------------------------------------------------------------|
| 294,701,874/31.62% . . . . .                    | 931,873,473                                                          | 934,105,831                                                           | 296,934,232/31.79%                                                                 |

## Share Repurchases and 2016 PSP Options

- 5.4 Assuming (i) full exercise by Mr. Dixon of all the 2016 PSP Options together with all other options held by Mr. Dixon as at the Latest Practicable Date (being the options in respect of 1,679,779 Ordinary Shares granted under the Existing Waivers) and all option exercises being satisfied out of treasury or with newly-issued shares; (ii) use by the Company of the authority granted under resolution 24 to the level permitted by the First Waiver Resolution; (iii) no pro rata participation or other sales of interests in Ordinary Shares by Mr. Dixon in connection with any share repurchases or otherwise; and (iv) no other person exercising any options or any other rights to subscribe for interests in the Ordinary Shares, Mr. Dixon's maximum potential interest in Ordinary Shares if both the First Waiver and the Second Waiver are approved would be as set out in the following table<sup>6</sup>:

| Mr. Dixon's current interest in Ordinary Shares | Number of Ordinary Shares in issue as at the Latest Practicable Date | Potential number of Ordinary Shares in issue using assumptions in 5.4 | Mr. Dixon's maximum potential interest in Ordinary Shares using assumptions in 5.4 |
|-------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------------------------------------------------------------------|
| 294,701,874/31.62% . . . . .                    | 931,873,473                                                          | 919,105,831                                                           | 296,934,232/32.31%                                                                 |

## 6. Further explanation of the Waivers and the Waiver Resolutions

### Share Repurchases

- 6.1 The First Waiver will apply, provided the First Waiver Resolution is approved by the Independent Shareholders, only in respect of increases in Mr. Dixon's percentage interest in Ordinary Shares resulting from repurchases of Ordinary Shares under resolution 24 up to a maximum of 15,000,000 Ordinary Shares. It will not apply in respect of other increases in Mr. Dixon's percentage interest in Ordinary Shares (arising, for example, from market purchases of Ordinary Shares by or on behalf of Mr. Dixon or repurchases by the Company of Ordinary Shares under resolution 24 once the limit of 15,000,000 Ordinary Shares in the Waiver Resolution has been exceeded). As explained above, if there are any repurchases of its own shares by the Company in which Mr. Dixon does not participate pro rata to his interests in Ordinary Shares, Mr. Dixon will be interested in Ordinary Shares carrying 30 per cent or more of the Company's voting share capital but will not hold Ordinary Shares carrying more than 50 per cent of such voting rights and any further increase in that interest in Ordinary Shares (other than pursuant to the proposals set out in this document and as approved by the First Waiver Resolution, the Second Waiver Resolution or pursuant to the Existing Waivers) will be subject to the provisions of Rule 9 of the Code.
- 6.2 The authority under resolution 24 and the First Waiver will (unless varied, revoked or renewed) expire at the conclusion of the next annual general meeting of the Company. It has been the Company's regular practice to seek Shareholders' approval at each annual general meeting for the Company to be authorised to purchase its own shares. Up to the Latest Practicable Date, the Company had repurchased 9,543,800 Ordinary Shares under the authority granted by Shareholders at the 2015 AGM. The Directors have no present intention of exercising the new authority to make market purchases but the authority in resolution 24 would provide flexibility to allow them to do so.

<sup>5</sup> These figures exclude treasury shares.

<sup>6</sup> These figures exclude treasury shares.

- 6.3 The Independent Directors envisage that Shareholder approval for a further repurchase authority may be sought at the annual general meeting of the Company in 2017. At that time, the Independent Directors will consider whether to seek a further waiver by the Panel of any obligation of Mr. Dixon under Rule 9 of the Code to make a general offer to the Shareholders of the Company to purchase their shares as a result of an increase in his percentage interest in Ordinary Shares arising from the purchase by the Company of its own shares pursuant to such further authority. Any further waiver granted by the Panel would again be conditional upon Independent Shareholder approval at that time.
- 6.4 If the Independent Shareholders do not approve the First Waiver Resolution, but resolution 24 is passed, the Board will not make use of the authority to be granted under resolution 24 unless arrangements can be put in place to ensure that Mr. Dixon's percentage interest in the Ordinary Shares will not increase as a result of any future purchases by the Company of its own shares or a further waiver is sought from the Panel in respect of such increases (and Independent Shareholder approval is granted), since, based on the issued share capital of the Company and Mr. Dixon's percentage interest in the Ordinary Shares as at the Latest Practicable Date, any purchases by the Company of its own shares from Shareholders other than Mr. Dixon could result in Mr. Dixon having to make a mandatory offer to all Shareholders under Rule 9 of the Code.
- 6.5 Similarly, if the First Waiver Resolution and resolution 24 are approved, and the Company subsequently repurchases 15,000,000 Ordinary Shares under resolution 24, the Board will not repurchase any further Ordinary Shares under resolution 24 unless arrangements can be put in place to ensure that Mr. Dixon's percentage interest in Ordinary Shares will not increase as a result of any further purchases by the Company of its own shares or a further waiver is sought from the Panel in respect of such increases (and Independent Shareholder approval is granted).

#### **2016 PSP Options**

- 6.6 The Second Waiver relating to the 2016 PSP Options will apply, provided the Second Waiver Resolution is approved by the Independent Shareholders, only in respect of increases in Mr. Dixon's percentage interest in Ordinary Shares resulting from the exercise of any 2016 PSP Options. It will not apply in respect of other increases in Mr. Dixon's percentage interest in Ordinary Shares (arising, for example, from market purchases of Ordinary Shares by or on behalf of Mr. Dixon). Following the exercise by Mr. Dixon of any 2016 PSP Options, Mr. Dixon will be interested in Ordinary Shares carrying 30 per cent or more of the Company's voting share capital but will not hold Ordinary Shares carrying more than 50 per cent of such voting rights and any further increase in that interest in such Ordinary Shares (other than pursuant to the proposals set out in this document and as approved by the First Waiver Resolution or Second Waiver Resolution or pursuant to the Existing Waivers) will be subject to the provisions of Rule 9 of the Code.
- 6.7 The Second Waiver will expire in respect of each 2016 PSP Option on the earlier of the date on which each 2016 PSP Option is exercised or the date on which each 2016 PSP Option expires.

#### **Poll vote of Independent Shareholders**

- 6.8 As required by the Code, voting on resolutions 21 and 22 at the AGM will be by means of a poll of Independent Shareholders.

#### **7. Mark Dixon's intentions**

- 7.1 Mr. Dixon has confirmed to the Company that he is not proposing, following any increase in his percentage interest in Ordinary Shares as a result of repurchases by the Company of its own shares or the exercise of any share options, to seek any change in the composition of the Board or to the general nature or any other aspect of the Company's business.
- 7.2 Mr. Dixon has also confirmed that his intention, following any increase in his shareholding as a result of the proposals set out in this document, is that the business of the Company (and its subsidiaries) should continue to be run in substantially the same manner as at present. Mr. Dixon has further confirmed that he is not intending to make any change regarding (a) the locations of the Company's (and its subsidiaries') business, (b) the continued employment of their employees and management (including any material change to conditions of employment) and / or (c) employer contributions into the Company's pensions schemes (including with regard

to current arrangements for the funding of any scheme deficit), the accrual of benefits for existing members and the admission of new members. There will also not be any redeployment of the fixed assets of the Company (or any of its subsidiaries) or any change in the existing trading facilities for the Ordinary Shares as a result of such proposals.

- 7.3 Mr. Dixon has not taken part in any decision of the Independent Directors relating to the proposals set out in this document, since it is his interest in Ordinary Shares which is the subject of the Waivers. Mr. Dixon has confirmed he will not vote on either of the Waiver Resolutions. Additionally, Mr. Dixon has confirmed that, if the First Waiver Resolution is approved by the Independent Shareholders, he will not participate in Board decisions in relation to any further repurchases by the Company of its own shares pursuant to the authority granted by resolution 24.
- 7.4 Mr. Dixon will not be restricted from making an offer for the Company in the event that either of the Waiver Resolutions are approved by the Independent Shareholders.

## **8. Recommendation by Independent Directors**

The Independent Directors, who have been so advised by Investec, consider the Waivers to be fair and reasonable and in the best interests of the Company and the Independent Shareholders as a whole. In providing advice to the Independent Directors, Investec has taken into account the Independent Directors' commercial assessments. Accordingly, the Independent Directors unanimously recommend that Independent Shareholders vote in favour of the Waiver Resolutions at the AGM, as they intend to do in respect of their own beneficial shareholdings (representing approximately 0.1 per cent of issued share capital). Mr. Dixon will not be voting his interest in 294,701,874 Ordinary Shares, representing approximately 31.62 per cent of total voting rights in the Company, in relation to the Waiver Resolutions. In addition, Mr. Dixon has not participated in the Board's consideration of the Waivers.

## SECTION II — ADDITIONAL INFORMATION

### 1. Responsibility

1.1 The Directors accept responsibility for the information contained in this document, save that:

- (A) Mr. Dixon, who has not participated in the Board's consideration of the Waivers, takes no responsibility for the paragraph on page 26 entitled "Recommendation by Independent Directors" or for the Independent Directors' recommendation in the last paragraph of page 8; and
- (B) the only responsibility accepted by the Independent Directors in respect of the information in this document relating to Mr. Dixon has been to ensure that such information has been correctly and fairly reproduced or presented (and no steps have been taken by the Independent Directors to verify this information).

To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Part IV for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.2 Mr. Dixon accepts responsibility for the information contained in this document which relates to him. To the best of his knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this document for which he is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

### 2. Directors

The Directors of the Company and their functions are as follows:

| <u>Name</u>              | <u>Function</u>                                     |
|--------------------------|-----------------------------------------------------|
| Douglas Sutherland ..... | Non-Executive Chairman                              |
| Mark Dixon .....         | Chief Executive Officer                             |
| Dominik de Daniel .....  | Chief Financial Officer and Chief Operating Officer |
| Lance Browne .....       | Senior Independent Non-Executive Director           |
| Elmar Heggen .....       | Non-Executive Director                              |
| Nina Henderson .....     | Non-Executive Director                              |
| François Pauly .....     | Non-Executive Director                              |
| Florence Pierre .....    | Non-Executive Director                              |

### 3. Interests and dealings

3.1 As at the close of business on the Latest Practicable Date, the interests, rights to subscribe and short positions of the Directors, their immediate families and persons connected with them (within the meaning of Part 22 of the Act) in Ordinary Shares (all of which are beneficial unless stated) which would be required to be notified pursuant to Part 22 of the Act and related regulations, or which would be required to be entered in the register maintained under Part 22 of the Act, were as set out below:

| <u>Director</u>          | <u>Number of<br/>Ordinary Shares</u> | <u>Percentage of current<br/>issued Ordinary Shares<sup>7</sup></u> |
|--------------------------|--------------------------------------|---------------------------------------------------------------------|
| Mark Dixon .....         | 294,701,874 <sup>8</sup>             | 31.62%                                                              |
| Douglas Sutherland ..... | 400,000                              | 0.04%                                                               |
| Dominik de Daniel .....  | 422,589                              | 0.05%                                                               |
| François Pauly .....     | 87,718                               | 0.01%                                                               |
| Nina Henderson .....     | 16,500                               | 0.00%                                                               |
| Lance Browne .....       | 14,994                               | 0.00%                                                               |

<sup>7</sup> These figures exclude treasury shares.

<sup>8</sup> The interests of Mr. Dixon are held indirectly through Estorn.

- 3.2 As at the close of business on the Latest Practicable Date, the shares granted to the Directors under the Regus CIP, all for nil consideration, were as set out below:

|                         | <u>Interest in options<br/>and awards over<br/>Ordinary Shares</u> | <u>Grant Date</u> | <u>Exercise Date</u> | <u>Expiry Date</u> |
|-------------------------|--------------------------------------------------------------------|-------------------|----------------------|--------------------|
| <b>Mark Dixon</b>       |                                                                    |                   |                      |                    |
| Matching shares .....   | 251,447                                                            | 6/03/2013         | 6/03/2017            | 6/03/2023          |
| Matching shares .....   | 251,447                                                            | 6/03/2013         | 6/03/2018            | 6/03/2023          |
| Investment shares ..... | 103,051                                                            | 5/03/2014         | 5/03/2017            | 5/03/2024          |
| Matching shares .....   | 137,402                                                            | 5/03/2014         | 5/03/2017            | 5/03/2024          |
| Matching shares .....   | 137,401                                                            | 5/03/2014         | 5/03/2018            | 5/03/2024          |
| Matching shares .....   | 137,401                                                            | 5/03/2014         | 5/03/2019            | 5/03/2024          |
| Investment shares ..... | 132,326                                                            | 4/03/2015         | 4/03/2018            | 4/03/2025          |
| Matching shares .....   | 529,304                                                            | 4/03/2015         | 4/03/2020            | 4/03/2025          |
|                         | <b>1,679,779</b>                                                   |                   |                      |                    |

- 3.3 As at the close of business on the Latest Practicable Date, the shares granted to the Directors under the Regus PSP, all for nil consideration, were as set out below:

|                          | <u>Interest in options<br/>and awards over<br/>Ordinary Shares</u> | <u>Grant Date</u> | <u>Exercise Date</u> | <u>Expiry Date</u> |
|--------------------------|--------------------------------------------------------------------|-------------------|----------------------|--------------------|
| <b>Mark Dixon</b>        |                                                                    |                   |                      |                    |
| PSP Shares* .....        | 552,579                                                            | 3/03/2016         | 3/03/2021            | 3/03/2026          |
| <b>Dominik de Daniel</b> |                                                                    |                   |                      |                    |
| PSP Shares** .....       | 485,600                                                            | 3/03/2016         | 3/03/2021            | 3/03/2026          |

\* Subject to approval by the shareholders of the Company of resolutions 5, 6 and 22.

\*\* Subject to approval by the shareholders of the Company of resolutions 5 and 6.

- 3.4 On 2 November 2015, a conditional award over 328,751 Ordinary Shares was granted to Dominik de Daniel in order to facilitate his recruitment. Further details of this award are included on page 51 of the Company's annual report for the financial year ended 31 December 2015.
- 3.5 As at the close of business on the Latest Practicable Date, none of Mr. Dixon, or his immediate family or persons connected with him (within the meaning of Part 22 of the Act and related regulations) had any interests, rights to subscribe or short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery in any relevant Regus securities, save as disclosed in paragraphs 3.1, 3.2 and 3.3 above and 3.6 below.
- 3.6 As at the close of business on the Latest Practicable Date, none of Mr. Dixon, his immediate family or persons connected with him (within the meaning of Part 22 of the Act) had any dealings (including borrowing or lending) in relevant Regus securities which took place during the period beginning 12 months preceding the date of this document and ending on the Latest Practicable Date, save that:
- (A) on 7 March 2016, Mr. Dixon exercised his right to acquire 434,373 Ordinary Shares awarded to him as nil cost options on 6 March 2013 by the Company under the Regus CIP. Any increase in Mr. Dixon's shareholding as a result of the exercise of these options to acquire Ordinary Shares was included within the Existing Waivers. No obligations therefore arose pursuant to Rule 9 of the Code in respect of the increase in Mr. Dixon's shareholding by 434,373 Ordinary Shares on 7 March 2016. As at 7 March 2016, Mr. Dixon held an interest in an aggregate amount of 294,701,874 Ordinary Shares (representing approximately 31.62 per cent of the total voting rights in the Company); and
- (B) on 7 March 2016, Mr. Dixon transferred, for an amount of consideration equal to the prevailing market price, the 434,373 Ordinary Shares acquired by him on 7 March 2016 to Estorn.

- 3.7 As at the close of business on the Latest Practicable Date, none of the Company, any persons acting in concert with the Company, Mr. Dixon or any persons acting in concert with Mr. Dixon had borrowed or lent any relevant Regus securities.
- 3.8 As at the close of business on the Latest Practicable Date, none of the Directors, their immediate families or persons connected with them (within the meaning of Part 22 of the Act) had any interests, rights to subscribe or short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery in any relevant Regus securities, save as disclosed in paragraphs 3.1 to 3.7 above.
- 3.9 As at the close of business on the Latest Practicable Date no person acting in concert with the Company had any interests, rights to subscribe or short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery in relevant Regus securities.
- 3.10 As at the close of business on the Latest Practicable Date, neither Investec nor any other connected adviser of the Company (including any person controlling, controlled by or under the same control as it) had any interests, rights to subscribe or short positions in relevant Regus securities.
- 3.11 In this paragraph 3, references to “relevant Regus securities” are to Ordinary Shares and securities convertible into, rights to subscribe for, derivatives referable to and agreements to sell or any delivery obligations in respect of, or rights to require another person to purchase or take delivery of, Ordinary Shares.

#### **4. Arrangements in connection with the proposal**

- 4.1 Mr. Dixon has not entered into any agreement, arrangement or understanding: (i) with any of the Independent Directors (or their close relatives and related trusts) which has any connection with or dependence upon the proposals set out in this Part IV; or (ii) for the transfer of any Ordinary Shares acquired by Mr. Dixon. In addition, the Independent Directors are not aware of any agreement, arrangement or understanding having any connection with or dependence upon the proposals set out in this Part IV between Mr. Dixon and any person interested or recently interested in Ordinary Shares, any other recent director of the Company or Investec (or any person who is, or is presumed to be, acting in concert with such interested person, director or Investec).
- 4.2 As at the Latest Practicable Date, Mr. Dixon intends to transfer any Ordinary Shares that he receives pursuant to exercise of the 2016 PSP Options to Estorn.

#### **5. Directors’ service contracts**

- 5.1 Details of the service agreements currently in place between the Company (contracting through a wholly-owned subsidiary in each case) and the Executive Directors are set out below:

| <u>Executive Director</u> | <u>Effective Date of Contract</u> | <u>Term</u> | <u>Notice Period</u> |
|---------------------------|-----------------------------------|-------------|----------------------|
| Mark Dixon .....          | 14 October 2008                   | —           | 12 months            |
| Dominik de Daniel .....   | 1 November 2015                   | —           | 12 months            |

- 5.2 Details of the appointment agreements currently in place between the Company and the Non-Executive Directors are set out below:

| <u>Non-Executive Director</u> | <u>Effective Date of Agreement</u> | <u>Term</u> | <u>Notice Period</u> |
|-------------------------------|------------------------------------|-------------|----------------------|
| Douglas Sutherland .....      | 27 August 2008                     | 3 years     | 6 months             |
| Lance Browne .....            | 27 August 2008                     | 3 years     | 6 months             |
| Elmar Heggen .....            | 1 June 2010                        | 3 years     | 6 months             |
| Florence Pierre .....         | 21 May 2013                        | 3 years     | 6 months             |
| Nina Henderson .....          | 20 May 2014                        | 3 years     | 6 months             |
| François Pauly .....          | 19 May 2015                        | 3 years     | 6 months             |

- 5.3 The aggregate emoluments, excluding pensions and CIP awards, of the Directors for the year ended 31 December 2015 are set out below:

| <b>Executive</b>                     | <b>Total<br/>£'000</b> | <b>Salary<br/>£'000</b> | <b>Fees<br/>£'000</b> | <b>Benefits<br/>£'000</b> | <b>Compensation<br/>for loss of<br/>office £'000</b> | <b>Bonus<br/>£'000</b> |
|--------------------------------------|------------------------|-------------------------|-----------------------|---------------------------|------------------------------------------------------|------------------------|
| Mark Dixon .....                     | 1,180.0                | 587.0                   | —                     | 6.0                       | —                                                    | 587.0                  |
| Dominik de Daniel <sup>9</sup> ..... | 241.6                  | 120.8                   | —                     | —                         | —                                                    | 120.8                  |
| <b>Non-Executive</b>                 |                        |                         |                       |                           |                                                      |                        |
| Douglas Sutherland .....             | 200.0                  | —                       | 200.0                 | —                         | —                                                    | —                      |
| Lance Browne .....                   | 69.5                   | —                       | 69.5                  | —                         | —                                                    | —                      |
| Elmar Heggen .....                   | 60.0                   | —                       | 60.0                  | —                         | —                                                    | —                      |
| Nina Henderson .....                 | 67.5                   | —                       | 67.5                  | —                         | —                                                    | —                      |
| François Pauly <sup>10</sup> .....   | 30.9                   | —                       | 30.9                  | —                         | —                                                    | —                      |
| Florence Pierre .....                | 52.5                   | —                       | 52.5                  | —                         | —                                                    | —                      |

The maximum bonus potential, for the Executive Directors, for the year ended 31 December 2015, was 100 per cent of salary. For the year ended 31 December 2015, Mark Dixon received a bonus equal to 100 per cent of salary, 100 per cent of which was paid in cash.

- 5.4 None of the Executive Directors' service contracts is for a fixed term. Each service contract is to continue until terminated by the relevant Executive Director or the Company and incorporates a provision for termination or a compensation payment in lieu of notice. An Executive Director's compensation payment in lieu of notice would comprise 12 months' salary at his then current base pay, with the Executive Director remaining eligible to receive bonuses. The compensation payment is payable where the requisite 12 months' notice is not given to the Executive Director. In the unlikely event that the contract is terminated for cause, such as gross misconduct, the Company may terminate the contract with immediate effect, in which case no compensation payment would be payable. Each Executive Director's rights in respect of any options or awards granted to him under any employee share scheme of the Company will be determined in accordance with the rules of the relevant scheme. Pension entitlements are dealt with in accordance with the terms and conditions of the applicable pension scheme and do not form part of the contractual compensation payment. Each of the service contracts may be re-executed during the term of the Executive Director's appointment to take account of variations in terms and conditions as well as changes in best practice.
- 5.5 The appointment agreements provide that a new Non-Executive Director is appointed for a specified term, being an initial three-year period. Subsequent re-appointment is subject to endorsement by the Board and the approval of Shareholders. Either the Non-Executive Director or the Company may terminate the appointment by giving the other party six months' notice; compensation may be payable in the event that the requisite six months' notice is not given by either party (unless the termination is for cause).
- 5.6 On 9 December 2015, Dominik de Daniel signed service contracts with subsidiaries of the Company. A variation to Mark Dixon's service contract was signed on 11 January 2016. Save for this and for the details set out in paragraph 5.3 above, there have been no new Directors' service contracts, or letters, or terms of appointment, or amendments to existing Directors' service contracts or letters or terms of appointment within the period of six months prior to the date of this document.

## 6. Information on Mark Dixon

Mr. Dixon of L'Estoril, 31 Avenue Princesse Grace, MC 98000, Monaco founded the Regus Group in 1989 and has been Chief Executive Officer for over 27 years. Prior to Regus, Mr. Dixon established businesses in the retail and wholesale food industries.

## 7. Financial and other information on the Company

- 7.1 The Regus Group is the world's largest provider of outsourced workplaces. For the year to 31 December 2015, the Group delivered revenues of GBP 1,927.0 million, operating profit of GBP 144.8 million, basic earnings per share of 11.2 pence and ended the year with a net debt position of GBP 190.6 million.

<sup>9</sup> Dominik de Daniel was appointed to the Board with effect from 1 November 2015.

<sup>10</sup> François Pauly was appointed as Non-Executive Director with effect from 19 May 2015.

7.2 As set out in Section III of this Part IV, this document incorporates by reference:

- the audited consolidated financial statements of the Group, and the related auditor's report of KPMG Luxembourg, Société coopérative thereon, for the year ended 31 December 2015; and
- the audited consolidated financial statements of the Group, and the related auditor's report of KPMG Luxembourg, Société coopérative thereon, for the year ended 31 December 2014.

Please refer to Section III of this Part IV for a list of cross references to the relevant sections of these reports and accounts, and for how to access this information.

7.3 There have been no material changes in the financial or trading position of the Company since 31 December 2015 (the date of its most recent published accounts).

## 8. Material contracts

8.1 During the period beginning two years preceding the date of this document and ending on the Latest Practicable Date, the Company and its subsidiaries have not entered into any material contracts otherwise than in the ordinary course of business, save for the following:

- (A) On 9 September 2013, the Company increased its revolving credit facility agreement with Barclays Bank plc, HSBC Bank plc, Lloyds TSB Bank plc, Bank of America N.A., Abbey National Treasury Services plc and KBC Bank NV from GBP 200 million to GBP 320 million (the "**RCF**"). The RCF, which is to be applied towards the general corporate purposes of the Regus Group (including to fund acquisitions), also provides that each lender may agree to provide bilateral ancillary facilities to the Company on agreed terms, thereby reducing the amount of that lender's unutilised commitment under the RCF by an amount equal to the amount of the ancillary facility. On 7 April 2015, the maturity date of the RCF, originally 6 August 2016, was extended so as to terminate on 6 April 2020; and
- (B) On 9 May 2014, the Company, as guarantor, entered into loan agreements arranged by Commerzbank Aktiengesellschaft under which loans of EUR 165 million (arranged over 3 years) and EUR 45 million (arranged over 5 years) had been secured through a book building process ("**Schuldschein**"). The proceeds of Schuldschein were used to reduce the borrowing on the RCF.

## 9. Middle Market Quotations

Set out below are the middle market quotations for an Ordinary Share, as derived from the Daily Official List of the London Stock Exchange plc, for the first business day of each of the six months set out below and for the Latest Practicable Date:

| <u>Date</u>           | <u>Price Per Ordinary Share (pence)</u> |
|-----------------------|-----------------------------------------|
| 2 November 2015 ..... | 330.6                                   |
| 1 December 2015 ..... | 350.7                                   |
| 4 January 2016 .....  | 322.3                                   |
| 1 February 2016 ..... | 290.9                                   |
| 1 March 2016 .....    | 296.0                                   |
| 1 April 2016 .....    | 316.0                                   |
| 13 April 2016 .....   | 310.5                                   |

## 10. Consent

Investec has given and has not withdrawn its written consent to the issue of this document with references to it in the form and context in which they appear.

### SECTION III — INFORMATION INCORPORATED BY REFERENCE

The table below sets out the various sections of those documents which are incorporated by reference into this document, so as to provide the information required pursuant to the Code. These documents will also be available on the Company's website, [www.regus.com](http://www.regus.com), from the date of this document and available for inspection as set out on page 9 of this document.

| <u>Document</u>                                                                                                                                                                                                                      | <u>Section</u>                                    | <u>Page number<br/>In such document</u> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------------------------|
| <b>2015 Group Financial Statements</b> (Click on pdf of "Regus plc consolidated report and accounts 2015" at <a href="http://www.regus.co.uk/investors/annual-reports.apx">http://www.regus.co.uk/investors/annual-reports.apx</a> ) | Consolidated income statement . . . . .           | 56                                      |
|                                                                                                                                                                                                                                      | Consolidated balance sheet . . . . .              | 59                                      |
|                                                                                                                                                                                                                                      | Consolidated statement of cash flows . . . . .    | 60                                      |
|                                                                                                                                                                                                                                      | Consolidated statement of changes in equity . . . | 58                                      |
|                                                                                                                                                                                                                                      | Accounting policies . . . . .                     | 61                                      |
|                                                                                                                                                                                                                                      | Notes to the accounts . . . . .                   | 61                                      |
|                                                                                                                                                                                                                                      | Auditor's report . . . . .                        | 55                                      |
| <b>2014 Group Financial Statements</b> (Click on pdf of "Regus plc consolidated report and accounts 2014" at <a href="http://www.regus.co.uk/investors/annual-reports.apx">http://www.regus.co.uk/investors/annual-reports.apx</a> ) | Consolidated income statement . . . . .           | 50                                      |
|                                                                                                                                                                                                                                      | Consolidated balance sheet . . . . .              | 53                                      |
|                                                                                                                                                                                                                                      | Consolidated statement of cash flows . . . . .    | 54                                      |
|                                                                                                                                                                                                                                      | Consolidated statement of changes in equity . . . | 52                                      |
|                                                                                                                                                                                                                                      | Accounting policies . . . . .                     | 55                                      |
|                                                                                                                                                                                                                                      | Notes to the accounts . . . . .                   | 55                                      |
|                                                                                                                                                                                                                                      | Auditor's report . . . . .                        | 49                                      |

Any Shareholder, person with information rights or other person to whom this document is sent may request a copy of each of the documents set out above in hard copy form. Hard copies will only be sent where valid requests are received from such persons. Requests for hard copies are to be submitted to our registrar, Capita, by calling 0871 664 0300. Calls to this number cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 9.00 a.m. (UK time) to 5.30 p.m. (UK time), Monday to Friday (with the exception of UK bank and public holidays). Requests can also be made by writing to Capita Registrars (Jersey) Limited, PXS, 34 Beckenham Road, Beckenham, BR3 4TU. All valid requests will be dealt with as soon as possible and hard copies mailed by no later than two business days following such request.

The documents incorporated by reference into this document have been incorporated in compliance with Rule 24.15 of the Code.

## APPENDIX

### SUMMARY OF THE PRINCIPAL TERMS OF THE REGUS PERFORMANCE SHARE PLAN 2016 (the “Regus PSP”)

#### **Operation**

The Remuneration Committee will supervise the operation of the Regus PSP.

#### **Eligibility**

Any employee of the Company and its subsidiaries will be eligible to participate in the Regus PSP. Participation in the Regus PSP is at the discretion of the Remuneration Committee.

#### **Grant of awards**

The Remuneration Committee may grant awards to acquire Ordinary Shares at any time but the awards will normally be granted within six weeks following the Company’s announcement of its results for any period. Awards (the “**Initial Awards**”) were conditionally granted to Mark Dixon and Dominik de Daniel on 3 March 2016, subject to Shareholder approval of the Regus PSP at the 2016 AGM.

The Remuneration Committee may grant awards as conditional awards or options over Ordinary Shares. The Remuneration Committee may decide to grant cash-based awards of an equivalent value to share-based awards or to satisfy share-based awards in cash, although it does not currently intend to do so.

An award may not be granted more than 10 years after Shareholder approval of the PSP.

No payment is required for the grant of an award. Awards are not transferable, except on death.

Awards are not pensionable.

#### **Individual limit**

An employee may not receive awards in any financial year over Ordinary Shares having a market value in excess of 250 per cent. of the employee’s annual base salary in that financial year. However, if exceptional circumstances exist in relation to the recruitment of an employee then this limit is increased to 300 per cent of the employee’s annual base salary.

#### **Performance conditions**

The vesting of awards may be subject to the achievement of performance conditions set by the Remuneration Committee. The performance conditions applying to the Initial Awards are described in the Directors’ Remuneration Report set out on pages 48 to 52 of the Company’s annual report for the financial year ended 31 December 2015.

The Remuneration Committee can set different performance conditions for future awards.

The Remuneration Committee may vary the performance conditions applying to existing awards if an event has occurred which causes the Remuneration Committee reasonably to consider that it would be appropriate to amend the performance conditions, provided the Remuneration Committee, acting fairly and reasonably, considers the varied conditions are not materially less challenging than the original conditions would have been but for the event in question.

#### **Vesting of awards**

Awards normally vest at the end of a holding period to the extent that the applicable performance conditions have been satisfied and provided the participant is still employed in the Group. For Executive Directors, the holding period will be five years from grant but the holding period may be different for other employees. Options which vest are normally exercisable up until the tenth anniversary of grant unless they lapse earlier.

#### **Dividend equivalents**

The Remuneration Committee may decide that participants will receive a payment (in cash and/or Ordinary Shares) on or shortly following the vesting or exercise of their awards, of an amount equivalent to the dividends that would have been paid on the Ordinary Shares in respect of which the

award vests between the time when the awards were granted and the time when they vest. This amount may assume the reinvestment of dividends. Alternatively, participants may have their awards increased as if dividends were paid on the Ordinary Shares subject to their award and then reinvested in further Ordinary Shares.

### ***Leaving employment***

An award will lapse upon a participant ceasing to hold employment or be a Director within the Group unless the Remuneration Committee decides otherwise. If the Remuneration Committee decides that an award will vest then the award will normally vest on the same date as it would have vested if the participant had remained employed, although the Remuneration Committee can decide that it can vest on the cessation of employment of the participant. The extent to which an award will vest will depend upon the achievement of the performance conditions and the pro-rating of the award to reflect the reduced period of time between its grant and the date of cessation, although the Remuneration Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

### ***Corporate events***

In the event of a takeover or winding up of the Company (not being an internal corporate reorganisation) all awards will vest early subject to: (i) the extent that the performance conditions have been satisfied at that time; and (ii) the pro-rating of the awards to reflect the reduced period of time between their grant and vesting, although the Remuneration Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

In the event of an internal corporate reorganization, awards may be replaced by equivalent new awards over shares in a new holding company unless the Remuneration Committee decides that awards should vest on the basis which would apply in the case of a takeover.

### ***Malus and clawback***

The Remuneration Committee can decide that in the event of: (i) a material misstatement of financial results or a material downturn in financial performance; (ii) misbehaviour or material error by a participant; or (iii) an error in the basis on which an award was granted or vested, that a participant's award may be reduced prior to vesting and/or that within three years of vesting the participant repay such amount as the Remuneration Committee considers appropriate. An award may also be reduced to give effect to a clawback provision in another incentive plan of the Company.

### ***Participants' rights***

Awards will not confer any shareholder rights until the awards have vested or the options have been exercised and the participants have received their Ordinary Shares.

### ***Rights attaching to Ordinary Shares***

Any Ordinary Shares allotted when an award vests or is exercised will rank equally with Ordinary Shares then in issue (except for rights arising by reference to a record date prior to their allotment). Participants will be entitled to all rights attaching to Ordinary Shares transferred to them by reference to record dates on or after the date of transfer.

### ***Variation of capital***

In the event of any variation of the Company's share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Ordinary Shares, the Remuneration Committee may make such adjustment as it considers appropriate to the number of Ordinary Shares subject to an award and/or the exercise price payable (if any).

### ***Overall Regus PSP limits***

The Regus PSP may operate over new issue Ordinary Shares, treasury shares or Ordinary Shares purchased in the market.

In any ten calendar year period, the Company may not issue (or grant rights to issue) more than:

- (a) 10 per cent of the issued Ordinary Share capital of the Company under the Regus PSP and any other employee share plan adopted by the Company; and
- (b) 5 per cent of the issued ordinary share capital of the Company under the Regus PSP and any other executive share plan adopted by the Company.

Treasury shares will count as new issue Ordinary Shares for the purposes of these limits unless institutional investors decide that they need not count.

### ***Alterations to the Regus PSP***

The Remuneration Committee may, at any time, amend the Regus PSP in any respect, provided that the prior approval of Shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of Ordinary Shares or the transfer of treasury shares, the basis for determining a participant's entitlement to, and the terms of, the Ordinary Shares or cash to be acquired and the adjustment of awards.

The requirement to obtain the prior approval of Shareholders will not, however, apply to any minor alteration made to benefit the administration of the Regus PSP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Group. Shareholder approval will also not be required for any amendments to any performance condition applying to an award.

### ***Overseas PSPs***

Under the rules of the Regus PSP the Board will be permitted to establish further schedules to the Regus PSP for overseas territories, any such schedules to be similar to the Regus PSP, but modified to take account of local tax, exchange control or securities laws, provided that any Ordinary Shares made available under such further schedules are treated as counting against the limits on individual and overall participation in the Regus PSP.

## **SUMMARY OF THE PRINCIPAL TERMS OF THE REGUS DEFERRED SHARE BONUS PLAN (the "Regus DSBP")**

### ***Operation***

The Remuneration Committee will supervise the operation of the Regus DSBP.

### ***Eligibility***

Any employee of the Company and its subsidiaries will be eligible to participate in the Regus DSBP. The Remuneration Committee will decide who will participate in the Regus DSBP and what portion of their bonus should be deferred into Ordinary Shares under the Regus DSBP.

### ***Grant of awards***

The Remuneration Committee may grant awards to acquire Ordinary Shares at any time but the intention is that awards will be granted within six weeks following the Company's announcement of its results for any period.

The Remuneration Committee may grant awards as conditional awards or options over Ordinary Shares. The Remuneration Committee can decide to satisfy awards in cash, although it does not currently intend to do so.

An award may not be granted more than 10 years after Shareholder approval of the Regus DSBP.

No payment is required for the grant of an award. Awards are not transferable, except on death.

Awards are not pensionable.

### ***Size of Awards***

The number of Ordinary Shares under an award is determined by reference to the market value of an Ordinary Share then that value will be the middle market quotation of an Ordinary Share on the day before grant or an average of such quotations over a period of up to five dealing days before grant.

### ***Vesting of awards***

Awards normally vest on the third anniversary of grant provided the participant is still employed in the Group. Options which vest are normally exercisable up until the tenth anniversary of grant unless they lapse earlier.

### ***Dividend equivalents***

The Remuneration Committee may decide that participants will receive a payment (in cash and/or Ordinary Shares) on or shortly following the vesting or exercise of their awards, of an amount equivalent to the dividends that would have been paid on those Ordinary Shares between the time when the awards were granted and the time when they vest. This amount may assume the reinvestment of dividends.

Alternatively, participants may have their awards increased as if dividends were paid on the Ordinary Shares subject to their award and then reinvested in further Ordinary Shares.

### ***Leaving employment***

An award will lapse upon a participant ceasing to hold employment or be a Director within the Group unless the Remuneration Committee decides otherwise. If the Remuneration Committee decides that an award will vest then the award will normally vest on the date of cessation, although the Remuneration Committee can decide that the award will vest on the same date as it would have vested if the participant had remained employed.

### ***Corporate events***

In the event of a takeover or winding up of the Company (not being an internal corporate reorganisation) all awards will vest on such event. In the event of an internal corporate reorganisation awards will be replaced by equivalent new awards over shares in a new holding company unless the Remuneration Committee decides that awards should vest on the basis which would apply in the case of a takeover.

### ***Malus and clawback***

The Remuneration Committee can decide that in the event of: (i) a material misstatement of financial results or a material downturn in financial performance; (ii) misbehaviour or material error by a participant; or (iii) an error in the basis on which an award was granted or vested, that a participant's award may be reduced prior to vesting and/or that within three years of vesting the participant repay such amount as the Remuneration Committee considers appropriate. An award may also be reduced to give effect to a clawback provision in another incentive plan of the Company.

### ***Participants' rights***

Awards will not confer any shareholder rights until the awards have vested or the options have been exercised and the participants have received their Ordinary Shares.

### ***Rights attaching to Ordinary Shares***

Any Ordinary Shares allotted when an award vests or is exercised will rank equally with Ordinary Shares then in issue (except for rights arising by reference to a record date prior to their allotment). Participants will be entitled to all rights attaching to Ordinary Shares transferred to them by reference to record dates on or after the date of transfer.

### ***Variation of capital***

In the event of any variation of the Company's share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Ordinary Shares, the Remuneration Committee may make such adjustment as it considers appropriate to the number of Ordinary Shares subject to an award and/or the exercise price payable (if any).

### ***Overall Regus DSBP limits***

The Regus DSBP may operate over new issue Ordinary Shares, treasury shares or Ordinary Shares purchased in the market.

In any ten calendar year period, the Company may not issue (or grant rights to issue) more than:

- (a) 10 per cent of the issued Ordinary Share capital of the Company under the Regus DSBP and any other employee share plan adopted by the Company; and
- (b) 5 per cent of the issued ordinary share capital of the Company under the Regus DSBP and any other executive share plan adopted by the Company.

Treasury Shares will count as new issue Shares for the purposes of these limits unless institutional investors decide that they need not count.

### ***Alterations to the Regus DSBP***

The Remuneration Committee may, at any time, amend the Regus DSBP in any respect, provided that the prior approval of Shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of Ordinary Shares or the transfer of treasury shares, the basis for determining a participant's entitlement to, and the terms of, the Ordinary Shares or cash to be acquired and the adjustment of awards.

The requirement to obtain the prior approval of Shareholders will not, however, apply to any minor alteration made to benefit the administration of the Regus DSBP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Group.

### ***Overseas DSBPs***

Under the rules of the Regus DSBP the Board will be permitted to establish further schedules to the Regus DSBP for overseas territories, any such schedules to be similar to the Regus DSBP, but modified to take account of local tax, exchange control or securities laws, provided that any Ordinary Shares made available under such further schedules are treated as counting against the limits on individual and overall participation in the Regus DSBP.

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