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**16 September 2020**

## **THG Holdings plc**

### **Announcement of Pricing**

Following the announcements by THG on 10 September 2020 of the offer price of 500 pence per share (the "**Offer Price**") and publication of the Prospectus, THG today announces the successful completion of the bookbuilding process in relation to the initial public offering of its Shares (the "**Offer**"). Based on the Offer Price and on the basis described below, the market capitalisation of the Company will be approximately £5.4 billion at the commencement of conditional dealings on the Main Market of the London Stock Exchange.

Matthew Moulding, founder, CEO and chairman of THG said: "I am delighted that THG has received such strong support from some of the world's largest investors, which means we have been able to achieve a highly successful Offer of shares in the Company. The results of the Offer are a clear validation of our business model, significant growth prospects, and recognition of the hard work and talent of all our colleagues. Our flotation is the start of an exciting new phase in THG's development and we look forward to sharing that journey with our new shareholders."

### **Offer Highlights**

- The Offer comprises 376,273,998 Shares equating to a total Offer size of £1.88 billion, or approximately 35 per cent. at the time of Admission of the aggregate of the Company's Shares and all shares in the Company which at Admission are capable of conversion into Shares (at the election of the relevant holder). This includes 184,000,000 new Shares to be issued by the Company, raising gross proceeds of £920 million to target a net cash position at Admission of c.2.6x LTM Jun-20 EBITDA, and 192,273,998 existing Shares to be sold by certain existing shareholders raising gross proceeds of £961 million.
- The Company's market capitalisation at Admission is calculated by applying the Offer Price to (i) all Shares at Admission and (ii) all non-voting shares in the Company which at Admission are capable of conversion into Shares (at the election of the relevant holder), representing in aggregate 1,084,000,000 shares. This comprises 970,646,554 Shares, 59,415,474 D shares, 50,172,433 E shares and 3,765,539 Shares which will arise from the subdivision of D ordinary shares.
- The Company also has non-voting F shares, G shares and H shares in issue, but these shares are subject to outstanding performance targets and/or conditions and therefore at Admission are not capable of conversion into Shares. Further details are included in the Prospectus.
- Full details of the Offer are included in the Prospectus.

### **Admission and Dealings**

- Commencement of conditional dealings on the London Stock Exchange is expected to take place at 8.00am on 16 September 2020 under the ticker "THG". Investors should note that only investors who applied for, and were allocated, Shares in the Offer will be able to deal in the Shares on a conditional basis.
- Admission to the standard listing segment of the Official List of the FCA and to trading on the Main Market for listed securities of the London Stock Exchange, and the commencement of unconditional dealings, is expected to take place at 8.00am (UK time) on 21 September 2020.
- All dealings in the Shares before the commencement of unconditional dealings will be of no effect if Admission does not take place and such dealings will be at the sole risk of the parties concerned.
- The pricing statement relating to the Offer will be published on the Company's website at [www.thg.com](http://www.thg.com).



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THG

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## Notes to Editors

### About THG

The Hut Group ([www.thg.com](http://www.thg.com)) is a vertically integrated digital-first consumer brands group, retailing its own brands, in beauty and nutrition plus third party brands, via its proprietary technology platform to an online and global customer base. THG is powered by THG Ingenuity, its proprietary end-to-end e-commerce technology, infrastructure and brand building platform.

THG's business is operated through the following four businesses:

- THG Ingenuity: Provides an end-to-end direct-to-consumer e-commerce solution for consumer brand owners under Software as a Service licences, in addition to stand-alone digital services, including hosting, studio content and translation;
- THG Nutrition: A manufacturer and online D2C retailer of nutrition and wellbeing products and owner of the *Myprotein* brand, including its family of brands *Myvegan*, *Myvitamins*, *MP Clothing* and *Myprotein Pro*;
- THG Beauty: A leading digital-first brand owner, retailer and manufacturer in the prestige beauty market, combining its prestige portfolio of seven owned brands across skincare, haircare and cosmetics, the provision of a global route to market for over 850 third-party beauty brands through its portfolio of websites, including *Lookfantastic*, *Skinstore* and *Mankind*, the beauty subscription box brand *Glossybox* and the product developer and manufacturer Acheson & Acheson; and
- Other: This business consists of the THG Lifestyle (consumer and luxury products) and THG Experience (Hale Country Club, King Street Townhouse Hotel and the Great John Street Hotel) businesses.

### Important Legal Information

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This announcement is only addressed to and directed at specific addressees who: (A) if in member states of the European Economic Area (the "**EEA**"), are persons who are "qualified investors" within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (as amended) ("**Qualified Investors**"); and (B) if in the United Kingdom, are Qualified Investors who are: (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (C) are other persons to whom it may otherwise lawfully be communicated (all such persons referred to in (B) and (C) together being "**Relevant Persons**"). This announcement must not be acted or relied on (i) in the United Kingdom, by persons who are not Relevant Persons and (ii) in any member state of the European Economic Area by persons who are not Qualified Investors. Any investment activity to which this announcement relates (i) in the United Kingdom is available only to, and may be engaged in only with, Relevant Persons; and (ii) in any member state of the EEA is available only to, and may be engaged only with, Qualified Investors.

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This announcement may include forward-looking statements, which are based on current expectations and projections about future events. These statements may include, without limitation, any statements preceded by, followed by or including words such as "target", "believe", "expect", "aim", "intend", "may", "anticipate", "estimate", "plan", "project", "will", "can have", "likely", "should", "would", "could" and any other words and terms of similar meaning or the negative thereof. These forward-looking statements are subject to risks, uncertainties and assumptions about the Company and its subsidiaries and its investments, including, among other things, the development of its business, trends in its operating environment, and future capital expenditures and acquisitions. The forward-looking statements in this announcement speak only as at the date of this announcement. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate and none of the Company, Citigroup Global Markets Limited, J.P. Morgan Securities plc, Barclays Bank PLC, Goldman Sachs International, HSBC Bank plc, Jefferies International Limited or Numis Securities Limited (together, the "**Banks**") nor N.M. Rothschild & Sons Limited nor any member of THG, nor any of such person's affiliates or their respective directors, officers, employees, agents and/or advisors, nor any other person(s) accepts any responsibility for the accuracy or fairness of the opinions expressed in this announcement or the underlying assumptions. Actual events or conditions are unlikely to be consistent with, and may differ significantly from, those assumed. In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur. No representation or warranty is made that any forward-looking statement will come to pass. No one undertakes to update, supplement, amend or revise any forward-looking statements. You are therefore cautioned not to place any undue reliance on forward-looking statements.

Any subscription or purchase of Shares in the Offer should be made solely on the basis of information contained in the Prospectus. The information in this announcement is subject to change. Before subscribing for or purchasing any Shares, persons viewing this announcement should ensure that they fully understand and accept the risks set out in the Prospectus. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. This announcement does not constitute, or form part of, any offer or invitation to sell or issue, or any solicitation of any offer to acquire, whether by subscription or purchase, any Shares or any other securities, nor shall it (or any part of it), or the fact of its distribution, form the basis of, or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever.

There is no guarantee that Admission will occur. Potential investors should not base any financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation in relation to the Shares. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of any investment in the Shares for the person concerned.

Nothing contained herein constitutes or should be construed as (i) investment, tax, financial, accounting or legal advice; (ii) a representation that any investment or strategy is suitable or appropriate to your individual circumstances; or (iii) a personal recommendation to you.

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For the avoidance of doubt, the contents of the Company's website, including the websites of the Company's business units, are not incorporated by reference into, and do not form part of, this announcement.

#### **Information to Distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a

product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, "distributors" (for the purposes of the MiFID II Product Governance Requirements) should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Underwriters will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

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