

This document and the appendices attached hereto (which together comprise the Listing Document) include particulars given in compliance with the TISEA Listing Rules for the purpose of providing information with regard to SandpiperCI Group Limited (the "Company"). The directors of the Company (the "Directors"), whose names appear on page 8 of this Listing Document, accept full responsibility for the information contained in this Listing Document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

An application has been made to TISEA for the entire issued ordinary share capital of the Company, comprising (i) the Existing Shares (as defined herein); and (ii) the New Shares (as defined herein), to be admitted to trading on the Official List (the "Listing"). At Final Admission (as defined herein), the entire issued ordinary share capital of the Company will be admitted to trading on the Official List. It is expected that Admission will become effective and dealings in shares shall commence on or about 31 May 2019. Application may be made for any further Ordinary Shares to be listed on the Official List following Admission.

SandpiperCI

SANDPIPERCI GROUP LIMITED

*(a company incorporated on 4 June 2007 in Jersey under the Companies (Jersey) Law 1991
with registration number 97651)*

**INTRODUCTION OF 74,882,978 ORDINARY SHARES OF NO PAR VALUE AND
PLACING OF 25,117,022 ORDINARY SHARES OF NO PAR VALUE AT A PRICE OF
£0.75 PER ORDINARY SHARE AND ADMISSION TO TRADING OF ALL OF THE
ORDINARY SHARES IN THE SHARE CAPITAL OF THE COMPANY ON THE
OFFICIAL LIST OF THE INTERNATIONAL STOCK EXCHANGE AUTHORITY LIMITED**

**SPONSOR TO THE LISTING
RAVENSCROFT LIMITED**

Ordinary share capital of the Company immediately following Final Admission

<i>Authorised</i>	<i>Issued</i>
<i>Number</i>	<i>Number</i>
100,000,000	100,000,000

Your attention is drawn to the section headed Risk Factors of this Listing Document, beginning on page 31, which contains details of certain factors which should be taken into account when considering whether to purchase Ordinary Shares.

Subject as set out below, the Company and the Directors accept responsibility for the information contained in this Listing Document and to the best of the knowledge and belief of the Company (which has taken all reasonable care to ensure that such is the case) the information contained in the Listing Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Neither the admission of the Ordinary Shares to the Official List nor the approval of the Listing Document pursuant to the listing requirements of TISEA shall constitute a warranty or representation by TISEA as to the competence of the service providers to or any other party connected with the Company, the adequacy and accuracy of the information contained in the Listing Document or the suitability of the Company for investment or any other purpose.

In the UK this Listing Document is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**FPO**"), (ii) high net-worth companies, unincorporated associations and other persons and bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. It has not been approved by the Financial Conduct Authority as a prospectus under the Prospectus Rules made under Part VI of the Financial Services and Markets Act 2000 and it may not be distributed in the UK, save to the limited number of people to whom it will be sent directly by the Company.

The Ordinary Shares have not been registered with or approved or disapproved by the U.S. Securities and Exchange Commission ("**SEC**") or by the securities regulatory authority of any state or other jurisdiction, and neither the SEC nor any such authority has passed opinion upon the accuracy or determine the adequacy of this Listing Document nor is it intended that the SEC or any such authority will do so. Any representation to the contrary is a criminal offence.

Neither this Listing Document nor any copy of it may be (i) taken or transmitted into the US, (ii) distributed, directly or indirectly, in the US or to any US person (within the meaning of regulations made under the Securities Act 1933, as amended), (iii) taken or transmitted into or distributed in any member state of the European Economic Area (other than the UK, as referred to above), Canada, Australia, the Republic of Ireland or the Republic of South Africa or to any resident thereof, except in compliance with applicable securities laws, or (iv) taken or transmitted into or distributed in Japan or to any resident thereof for the purpose of solicitation or subscription or offer for sale of any securities or in the context where the distribution thereof may be construed as such solicitation or offer. Any failure to comply with these restrictions may constitute a violation of the securities laws or the laws of any such jurisdiction. The distribution of this Listing Document in other jurisdictions may be restricted by law and the persons into whose possession this Listing Document comes should inform themselves about, and observe any such restrictions.

If you are in any doubt about the contents of this Listing Document, you should consult a stockbroker, bank manager, solicitor, accountant or other independent professional adviser who specialises in advising on the acquisition of shares.

Where this Listing Document is being reviewed in the context of a purchase of Ordinary Shares in the secondary market, prospective investors are advised to examine all the risks that might be relevant in connection with an investment in Ordinary Shares. Prospective investors should read the entirety of this Listing Document and, in particular, the section entitled Risk Factors in Part III of this Listing Document for a discussion of certain risks and other factors that should be considered in connection with any investment in the Ordinary Shares.

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Unless required to do so by law or regulation or by TISEA, the Company will not publish any supplementary prospectus or any other update to this Listing Document. Whilst the contents of this Listing Document are accurate at the date of this Listing Document they may no longer be accurate at any subsequent date and there may be changes in the business affairs of the Company or the Group subsequent to the date of this Listing Document.

Recipients of this Listing Document may not reproduce or distribute the document in whole or in part.

Neither the Company nor any of its representatives are making any representation to any prospective investor in the Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such prospective investor under the laws applicable to such prospective investor. The contents of this Listing Document should not be construed as legal, financial or tax advice. Each prospective investor should consult his, her or its own legal, financial or tax adviser for legal, financial or tax advice.

A copy of this Listing Document has been delivered to the Registrar of Companies in Jersey accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, and the Registrar has given, and has not withdrawn, consent to its circulation. The JFSC has given, and has not withdrawn, its consent under Article 2 of the Control of Borrowing (Jersey) Order 1958 to the issue of shares in the Company. It must be distinctly understood that, in giving these consents, neither the Registrar of Companies nor the JFSC takes any responsibility for the financial soundness of the Company or for the correctness of any statements made, or opinions expressed, with regard to it.

It should be remembered that the price of securities and the income from them can go down as well as up.

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PRESENTATION OF INFORMATION

1. General

Investors should rely only on the information in this Listing Document. No person has been authorised to give any information or to make any representations other than those contained in this Listing Document and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Directors or Ravenscroft. No representation or warranty, express or implied, is made by Ravenscroft as to the accuracy or completeness of such information, and nothing contained in this Listing Document is, or shall be relied upon as, a promise or representation by Ravenscroft or any selling agent as to the past, present or future. Neither the delivery of this Listing Document nor any sale made under this Listing Document shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or of the Group taken as a whole since the date hereof or that the information contained herein is correct as of any time subsequent to the earlier of the date hereof and any earlier specified date with respect to such information.

The Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media or any other person, the Company or the Group. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

The contents of this Listing Document are not to be construed as legal, business or tax advice. Each prospective investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice in relation to any purchase or proposed purchase of Ordinary Shares. Each prospective investor should consult with such advisers as needed to make its investment decision and to determine whether it is legally permitted to hold shares under applicable legal investment or similar laws or regulations. Investors should be aware that they may be required to bear the financial risks of an investment in Ordinary Shares for an indefinite period of time.

This Listing Document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Company, the Directors, Ravenscroft or any of their representatives that any recipient of this Listing Document should purchase any of the Ordinary Shares.

Investors should ensure that they read the whole of this Listing Document and not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination of the Company and the terms of this Listing Document, including the risks involved. Any decision to purchase Ordinary Shares should be based solely on the Listing Document.

Investors who purchase Ordinary Shares will be deemed to have acknowledged that: (i) they have not relied on Ravenscroft or any person affiliated with Ravenscroft in connection with any investigation of the accuracy of any information contained in this Listing Document for their investment decision; and (ii) they have relied only on the information contained in this Listing Document, and no person has been authorised to give any information or to make any representation concerning the Company or the Ordinary Shares (other than as contained in this Listing Document) and, if given or made, any such other information or representation should not be relied upon as having been authorised by or on behalf of the Company, the Directors or Ravenscroft.

None of the Company, the Directors, the Selling Shareholders, Ravenscroft or any of their representatives is making any representation to any purchaser of Ordinary Shares regarding the legality of an investment by such purchaser.

In connection with the Placing, Introduction and Admission, Ravenscroft and any of its affiliates, acting as investors for their own accounts, may acquire Ordinary Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Ordinary Shares and other securities of the Company or related investments in connection with the Placing, Introduction and Admission or otherwise. Accordingly, references in this Listing Document to the Ordinary Shares being offered, subscribed, acquired, placed or otherwise dealt with should be read as including any offer to, or subscription, acquisition, dealing or placing by, Ravenscroft and any of its affiliates acting as investors for their own accounts. Ravenscroft does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Ravenscroft and any of its respective affiliates may have engaged in transactions with, and provided various stockbroking and other services to the Company and/or its investors, for which they would have received customary fees. Ravenscroft and any of its respective affiliates may provide such services to existing and/or potential investors, the Company and any of their respective affiliates in the future.

2. Presentation of financial information

The Group's consolidated historical financial information included in paragraph 7 of Part I (*Information on the Group*) of this Listing Document has been prepared in accordance with the requirements of the TISEA Listing Rules and in accordance with UK GAAP. The significant accounting policies are set out within note 1 (Accounting Policies) of the Group's Audited accounts for the year ended 26 January 2019.

3. Rounding

Certain figures and percentages in this Listing Document have been subject to rounding adjustments. Accordingly, any apparent discrepancies in tables between the totals and the sums of the relevant amounts are due to rounding.

4. Currencies

Unless otherwise indicated in this Listing Document, all references to:

- "pounds sterling" or "£" are to the lawful currency of the UK; and
- "euros" or "€" are to the lawful currency of the European Union.

Unless otherwise indicated, the financial information contained in this Listing Document has been expressed in pounds sterling. For all members of the Group incorporated in Jersey, Guernsey and the UK, the functional currency is pounds sterling and the Group presents its financial statements in pounds sterling.

5. Forward-looking statements

Some of the statements in this Listing Document include forward looking statements which reflect the Directors' current views with respect to financial performance, business strategy and plans and objectives for future operations (including development plans relating to the Group's products and services) of the Group.

There are or will be important factors that could cause the Group's actual results to differ materially from those indicated in forward looking statements. These factors include but are not limited to those described in Part III of this Listing Document entitled Risk Factors, which should be read in conjunction with the rest of the Document. Any forward looking statements are subject to these and other risks, uncertainties and assumptions relating to the Group's operations, results of operations and growth strategy. Past performance of the Group is no indication of the Group's future performance.

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These forward looking statements speak only as at the date of this Listing Document. Subject to any obligations under the TISEA Listing Rules, the Company undertakes no obligation to publicly update or review any forward looking statement, whether as a result of new information, future developments or otherwise.

6. No incorporation of website information

The contents of the Company's website do not form part of this Listing Document and prospective investors should not rely on them.

7. Interpretation

Certain terms used in this Listing Document are defined under Definitions at page 74 of this Listing Document.

DIRECTORS, SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	(1) Anthony Timothy John O'Neill (Chief Executive Officer) (2) Stephen John Armitage Harrison (Non-Executive Director) (3) Thomas Richard Scott (Non-Executive Director) (4) Jonathan Richard Ravenscroft (Non-Executive Director) (5) Antony John van der Hoorn (Chief Financial Officer)
Secretary	Antony John van der Hoorn
Registered Office	1-2 L'Avenue Le Bas Longueville St Saviour Jersey JE4 8NB
Counsel to the Company as to Jersey law	Carey Olsen Jersey LLP 47 Esplanade St Helier Jersey JE1 0BD
Auditors	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL BDO LLP is a firm of Chartered Accountants who are duly qualified to act as auditors in Jersey.
Registrars	Link Market Services (Jersey) Limited 12 Castle Street St. Helier Jersey JE2 3RT
Bankers	HSBC Bank PLC HSBC House St Helier Jersey JE1 1HS
Listing Sponsor, Placing Agent and Market Maker	Ravenscroft Limited PO Box 222 20 New Street St Peter Port Guernsey GY1 4JG

PLACING STATISTICS

Placing Price of Ordinary Shares	£0.75
Number of Sale Shares being placed on behalf of the Selling Shareholders ⁽¹⁾	25,117,022
Sale Shares as a percentage of the total number of Ordinary Shares in issue immediately following Final Admission	25.12%
Number of Ordinary Shares in issue immediately following Final Admission	100,000,000
Market capitalisation of the Ordinary Shares at the Placing Price	£75,000,000
Estimated expenses	c.£1.1m
ISIN of the Ordinary Shares	JE00BJYJFX36
LEI of the Company	2138006ZZNQJ5C6X2643
TIDM	SANDPI

Notes:

- (1) Assuming that the Selling Shareholders sell the maximum number of Ordinary Shares which they intend to sell.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Listing Document	14 May 2019
Placing period commences	14 May 2019
Placing period ends	24 May 2019
Admission and commencement of dealings in Ordinary Shares	31 May 2019
CREST accounts credited (where applicable)	31 May 2019
Issue and despatch of definitive share certificates (where applicable)	within 10 business days of Final Admission

Note:

- (1) Each of the times and dates in the above timetable is subject to change. All times are Jersey times.

KEY INFORMATION

The following information should be read in conjunction with the full text of this Listing Document from which it is derived and of which it forms part. Potential investors should read the whole document and not just rely on the key information set out below. Your attention is drawn, in particular, to the risk factors section of this Listing Document.

1. The Company

The Company was incorporated under the laws of Jersey on 4 June 2007 and with registration number 97651. The name of the Company was changed from Sandpiper Topco Limited to SandpiperCI Group Limited on 21 May 2019. The Company's registered office is 1-2 L'Avenue Le Bas, Longueville, St Saviour, Jersey, JE4 8NB.

2. The Company's business

The Company is the holding company of a group, with activities in three main product markets:

Channel Islands

Food Retail

The Company operates franchise stores on behalf of William Morrison and Iceland in Jersey and Guernsey, Marks and Spencer in Jersey, as well the Company's own chain of convenience stores, primarily under the "Checkers Xpress" name, in both Jersey and Guernsey.

Non-Food and Specialist Brand Franchise

The Company operates franchises of 12 UK-owned brands covering non-food and specialist brand retail, with territory rights for Jersey and Guernsey (excluding M&S (General Merchandise and Home) which is in Jersey only). Brands operated (excluding the three food retail brands referred to above) are:

- Costa Coffee
- Cornish Bakery
- Hotel Chocolat
- Marks and Spencer (General Merchandise and Home)
- Jack Wills
- Crew Clothing
- George
- Moss Bros
- Burger King
- Apple (Apple "Approved Premium Reseller", operated as "iQ")
- Card Factory
- Laura Ashley

International Franchise

The Company operates franchises for Costa Coffee, Cornish Bakery, Hotel Chocolat and Card Factory in Gibraltar, along with Costa Coffee and Hotel Chocolat in Andalucia, Spain.

3. Summary financial information

A summary of the financial performance of the Group for each of the three years ended 28 January 2017, 27 January 2018, and 26 January 2019 is set out in the table below. This data has been extracted from the audited consolidated financial statements of the Company for the respective years:

Summary Income Statement			
Year ending:	28 January 2017	27 January 2018	26 January 2019
	(£m)	(£m)	(£m)
Turnover	155.6	174.9	189.1
Cost of sales	(148.3)	(160.2)	(173.8)
Gross profit	7.3	14.7	15.2
Expenditure	(0.4)	(6.2)	(5.2)
Adjusted EBITDA	6.9	8.4	10.0
Non-recurring and exceptional items	(1.9)	(1.4)	4.3
Depreciation and amortisation	(4.5)	(4.6)	(5.0)
Operating profit	0.5	2.4	9.3
Interest	(3.5)	(1.3)	(1.2)
Tax	(0.3)	(1.2)	(1.3)
Net Profit	(3.2)	(0.1)	6.8
Earnings Per Share (pence)	(3.2)	(0.1)	6.8
Dividend Per Share (pence)	0.5	1.0	N/A

Note: Earnings Per Share and Dividend Per Share have been calculated on the basis of the number of shares in admission following the Final Admission (100,000,000)

Summary Balance Sheet				
Year ending:	28 January 2017	27 January 2018	26 January 2019	26 January 2019
	(£'000)	(£'000)	(£'000)	Restated (£'000) Note
Intangible assets	23,450	27,268	26,169	26,169
Tangible assets	51,661	48,745	66,471	66,471
Investments	2	2	2	2
Total fixed assets	75,113	76,015	92,642	92,642
Stock	7,941	10,203	10,447	10,447
Debtors	4,708	4,089	5,229	5,229
Cash	7,229	11,778	7,619	7,382
Current liabilities	(27,867)	(49,207)	(31,127)	(31,127)
Net current liabilities	(7,989)	(23,137)	(7,832)	(8,069)
Non-current creditors	(16,050)	(2,722)	(24,880)	(20,643)
Net assets	51,074	50,156	59,930	63,930

Note:

At the time of the acquisition of the Company by the current shareholders on 19 February 2016, certain loan notes owned by the previous shareholders were waived immediately prior to the acquisition and some of the balance subsequently redeemed and/or capitalised, leaving £3.7m of loan notes. Along with a further £0.3m issued, the principal value of loan notes immediately following the acquisition was £4.0m. These loan notes reached maturity and were replaced by new loan notes with a principal value of £4.0m on 3 August 2018. On 30 April 2019 the new loan notes were waived, and accumulated interest thereon paid. The effect of this was to increase the Net Assets of the Company by £4.0m, as shown in the column 26 January 2019 restated above.

The audited consolidated financial statements of the Company for the year ended 26 January 2019 are included at Appendix 1 to this Document.

4. Current trading and prospects

The Company has traded in line with expectations in the period since the last financial year ended 26 January 2019.

For the 8 weeks to 23 March 2019, sales of £26.5m were £(1.0)m behind the equivalent period in the

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previous financial year. Adjusted EBITDA of £0.7m was in line with the equivalent period, and net profit of £0.2m was £0.2m ahead when compared to the previous financial year. The slightly lower sales level is the result of the timing of both Mother's Day and the Easter sales period in the current year, which occurred 3 weeks earlier in the year to 26 January 2019.

Shareholders' funds at 23 March 2019 were £60.1m, compared with £50.0m on 24 March 2018.

The Directors are not aware of any matters, facts or circumstances that would suggest that the Company has not continued to trade in line with expectations for the period since 26 January 2019, or that it will not continue to do so for the rest of the current financial year.

Since the last financial year end, on 13 March 2019 the Company acquired the freehold property Nelson House at Admiral Park, Guernsey. The cost including stamp duty was £4.87m, which has been partially funded by increasing the HSBC Facility.

5. Dividend Policy

The Company intends to pay two interim dividends each year. It intends to retain profits to fund future capital expenditure of its current business, and to give flexibility to fund expansion opportunities where the Board consider these should be funded wholly or in part using internal resources. Dividends will be declared at the Board's absolute discretion having given careful consideration to the financial position of the Company and in accordance with applicable laws. Whilst the Board considers dividends as the primary method of returning capital to Shareholders, it may, at its discretion, consider share purchases, when advantageous to Shareholders and where permissible. The Company may revise its dividend policy from time to time.

6. Summary of the Placing and Reasons for Admission

The Listing will comprise (a) an introduction of Ordinary Shares, comprising (i) certain Existing Shares to be retained by the Retaining Existing Shares Shareholders; and (ii) certain New Shares to be retained by the Retaining New Shares Shareholders; and (b) a placing of Ordinary Shares, comprising (i) certain Existing Shares to be sold by the Selling Existing Shares Shareholders; and (ii) certain New Shares to be sold by the Selling New Shares Shareholders.

It is proposed that the Selling Shareholders place 25,117,022 Ordinary Shares at the Placing Price with investors (the "**Sale Shares**"). Assuming that all of the Sale Shares are sold by the Selling Shareholders, these will represent 25.12 percent of the issued share capital of the Company immediately following Final Admission.

The Placing is conditional amongst other things on Admission becoming effective. It is expected that Admission will become effective, and that dealings will commence, on or about 31 May 2019. The Company will not retain any proceeds from the sale of the Sale Shares; proceeds will be received by the Selling Shareholders. The Company will receive £2.3m from the exercise of previously-granted share options on or around the time of Final Admission, on the assumption that all current holders of share options (other than the holder of the Remaining Share Option) exercise them (please see further details below at paragraph 2 of Part IV (*Summary of the Placing*)). Part of such amount will be used to pay for the costs of Admission, with the remainder retained for general corporate purposes.

The entirety of the costs associated with the Placing and Admission will be borne by the Company and are not expected to exceed £1.1m.

Any Sale Shares that are not successfully placed will continue to be held by Huntress (CI) Nominees Limited ("**Huntress**") (a wholly owned subsidiary of Ravenscroft) on behalf of the relevant Selling Shareholder. The Executive Directors and certain of the Selling Shareholders will be subject to formal

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lock-in arrangements in respect of the Ordinary Shares that they hold, as further described at paragraph 15 of Part VI (*Additional Information*) of this Listing Document.

The Directors are seeking Admission for the following reasons:

- to raise the Group's public profile and status;
- to provide the Group with access to capital markets;
- to enhance the Group's ability to attract and retain staff;
- to provide existing and future shareholders with a market for their shares; and
- to enable funds to be raised for acquisitions, and to gain a potentially attractive acquisition currency for use should suitable opportunities arise.

PART I - INFORMATION ON THE GROUP

1. Background

The Company was formed on 4 June 2007 in order to acquire the business of the CI Traders Group (the "**CI Traders Business**") in September 2007. The acquisition was funded by private equity firms Duke Street Capital and Europa Capital. The CI Traders Business encompassed a wide range of activity. At its core were the Le Riche supermarket and convenience stores in Jersey and Guernsey (trading mainly as Checkers, Safeway and Checkers Xpress), and the Marks and Spencer King Street food and general merchandise store in Jersey. There was also a significant "non-core" operation, including the Cimandis foodservice business, two hotels in Guernsey, a stevedoring, fruit storage and haulage business in Portsmouth, a soft-drinks bottling business in France, the Victor Hugo drinks wholesale business in the Channel Islands, along with a brewery and a chain of 79 pubs. In addition, the Company had an active property development function and was in the process of completing the construction of the Admiral Park apartments complex in Guernsey.

The Company's strategy at that time was to dispose of the non-core activities while developing the retail core. The disposal programme concluded in 2015, with the sale of Cimandis to Bidvest Foodservice International. During the programme, the opportunity was also taken to sell the Company's five supermarkets to Waitrose, allowing it to focus its food retail activities on the operation of local/convenience stores. In the intervening period, management had developed the core retail business through a series of steps:

- opening M&S Simply Food stores in Jersey;
- opening standalone Iceland stores in Jersey and Guernsey;
- opening a franchised Costa Coffee store in St Helier, Jersey, and subsequently developing the brand in Jersey and Guernsey;
- opening and developing franchise operations for Cornish Bakery, Hotel Chocolat, Jack Wills, Crew Clothing, George and Moss Bros; and
- opening and developing franchise operations in Gibraltar and southern Spain for Costa Coffee.

In 2016, with all non-core activities divested, the Company was sold to a consortium of Channel Island investors, including the Company's current management. Management have pursued a strategy of continuing to develop the retail business both organically and by acquisition, coupled with selective acquisition of freehold retail property. Significant developments include:

- opening a franchised Burger King store in St Helier, Jersey;
- acquisition of 13 Costcutter stores in 2017, which were subsequently converted into Sandpiper food retail fascia;
- acquisition of iQ Music and Computer Solutions Limited, the Apple premium reseller for Jersey and Guernsey in 2017;
- acquisition of Liberty Wharf 2 Limited, the owner of the 58,000sq.ft. Liberty Wharf shopping centre in St Helier, Jersey in 2018;
- in 2018, signing a 10 year agreement with Morrisons to open Morrison Daily stores, resulting in 20 food retail stores being converted to the Morrison Daily fascia;
- opening Card Factory as a franchise store in Jersey and Guernsey;
- acquisition of Laura Ashley Jersey Limited in 2019, the franchise operator of Laura Ashley in the Channel Islands; and
- purchase of Nelson House, Admiral Park, Guernsey in 2019 to secure the site of one of the Company's Iceland stores.

2. Strategy

The Company intends to continue to increase its sales and profits through a strategy of both organic

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growth and acquisition.

Organic growth will principally be targeted by:

- (a) continuing to introduce target retail franchise brands to existing territories (Jersey, Guernsey, Spain and Gibraltar). The Company monitors the retail landscape intently and maintains a target list of brands, which represent either the leading or the secondary brand in each defined retail sub-market. Given the dynamic nature of the market, this list is updated on a regular basis; and
- (b) leveraging selected franchise brands from the Company's current portfolio, which have proven their viability, into current and potentially new territories as opportunities arise. An example of this is the opening in April 2019 of a Card Factory store in Guernsey, following the successful introduction of the brand into Jersey in November 2018 and into Gibraltar in May 2019.

Where considered appropriate and following careful assessment, acquisitions will be pursued:

- (a) of retail property freeholds where this secures important strategic trading locations, either of current or future retail outlets;
- (b) in the retail sector in current and alternative geographies, where opportunities arise to expand the scale of the business and leverage the current management structure; and
- (c) in separate but related market sectors in current territories, specifically the Channel Islands or Spain/Gibraltar.

Sandpiper will not materially change its business strategy within three years of listing on TISE without the approval of a majority of Shareholders.

3. Scope Of Operations

The Company has activities in three main product markets:

Food Retail – Channel Islands

The Company operates franchise stores on behalf of William Morrison and Iceland in Jersey and Guernsey, Marks and Spencer in Jersey, as well as running its own chain of convenience stores, primarily under the Checkers Xpress name, in Jersey and Guernsey. Food retail activities accounted for 78% of the Company's turnover in the year ended 26 January 2019.

The number of stores by fascia and location is summarised below:

Fascia	Number of Stores		
	Jersey	Guernsey	Total
M&S Food	5	N/A	5
Morrisons Daily	17	3	20

Iceland	5	4	9
Convenience	7	3	12
Total	34	10	44
<i>Memo: Fuel forecourts included in the above</i>	4	2	6

Franchise – Channel Islands

The Company operates twelve UK-owned brands covering food service, non-food and specialist brand retail. These activities accounted for 20% of the Company's turnover in the financial year ended 26 January 2019. The number of stores by fascia and location is summarised below:

Fascia	Number of Stores		
	Jersey	Guernsey	Total
Costa Coffee	5	3	8
Cornish Bakery	1	1	2
Hotel Chocolat	1	1	2
Marks & Spencer (clothing and home)	2 Note 1	N/A	2
Jack Wills	1	0	1
Crew Clothing	1	1	2
George	1	1	2
Moss Bros	1	1	2
Burger King	1	0	1
iQ	1	1	2
Card Factory	1	1	2
Laura Ashley	1	0	0
Total	17	10	27

Notes:

1. One of the Marks & Spencer sites is King Street, Jersey which is also included in the summary of Food Retail outlets above

International Franchise

The Company operates Costa Coffee, Hotel Chocolat, Cornish Bakery and Card Factory stores in Gibraltar, as well as Costa Coffee and Hotel Chocolat stores in southern Spain. These activities accounted for 2% of the Company's turnover in the financial year ended 26 January 2019.

The number of stores by fascia and location is summarised below:

Fascia	Number of Stores		
	Gibraltar	Spain	Total
Costa Coffee	4	4	8
Cornish Bakery	1	0	1
Hotel Chocolat	1	1	2
Card Factory	1	0	1
Total	7	5	12

4. Franchises

Operation of franchised stores on behalf of brand owners forms an important part of the Company's business, representing 93% of turnover in the year to 26 January 2019. The longest-established franchise partnership is with Marks and Spencer, where the first Jersey store opened in 1967. The Company now has relationships with 14 brands in food, non-food and specialist brands retail. Terms and conditions of each franchise vary, however typical contracts grant the right to open and operate stores in a defined territory with exclusive development rights for a period of time. The capital cost of opening an outlet is for the Company's account, and the franchisor secures its return either through the cost of sales of exclusively supplied product, a territory fee, or through a franchise royalty.

In order to preserve and enhance the value derived from franchised operations, it is the Company's policy to maintain a close dialogue with the brand owner to develop a successful long-term commercial relationship. Although not every franchise opened has been successful, (for example, decisions were taken to cease operation of Gourmet Burger Kitchen and Greggs following disappointing results), the vast majority of stores perform in line with management expectations and discussions are entered into in a timely manner to renew franchise agreements as the term progresses. A summary of current franchises, indicating the date of the first franchise agreement for each, and the territories now covered, is shown below:

Brand	Territory	Franchise commenced
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Marks & Spencer	Jersey	1967
Costa Coffee	Jersey Gibraltar Guernsey Spain	2008
Iceland	Jersey Guernsey	2009
Cornish Bakery	Jersey Gibraltar Guernsey	2009
Hotel Chocolat	Jersey Gibraltar Guernsey Spain	2010
Jack Wills	Jersey	2011
Crew Clothing	Jersey Guernsey	2011
George	Jersey Guernsey	2011
Moss Bros	Jersey Guernsey	2015
Burger King	Jersey Guernsey	2016
Morrisons	Jersey Guernsey	2018

Card Factory	Jersey	2018
	Gibraltar	
	Guernsey	
Laura Ashley	Jersey	2019
	Guernsey	

The right to operate IQ as an Apple premium reseller ("**APR**") is not the same as a franchise. APR status requires a retailer to operate its store according to a prescribed methodology in terms of product range/display etc., in return for which the retailer receives favourable terms for the supply of products, and support from Apple in terms of the cost of specific store fittings. The right to operate iQ as an APR was granted by Apple in November 2017.

5. Market Overview

In the Channel Islands, in common with the United Kingdom market, trading conditions in some parts of the retail sector have been somewhat challenging, with high-profile departures from Islands' high streets in recent times, including Mothercare, Thomas Cook and local high-street footwear company Beghins. Despite this, the market for food retail, which represents over three-quarters of the Company's sales, appears to remain stable, helped by its nature as an essential product. Management believes that the ongoing growth of the population has underpinned the size of the market.

The Company believes that it has been successful in growing its food retail business, in a fiercely competitive marketplace, in large part thanks to its partnerships with strong UK retail brands, notably Marks and Spencer, Morrisons and Iceland. It is also committed to a strategy of delivering high operating standards and customer satisfaction within its stores to enable it to maximise its share of the market.

In non-food retail, the continued growth of online retail sales poses a threat to "bricks and mortar" retail, particularly given the cost advantage in terms of lower operating costs, notably through the absence of VAT, and frequently GST on purchases made in the Islands. As in food retail, the Company's approach is to partner with strong retail brands, and to operate its stores to a high standard, which has enabled the Company to grow this part of its business.

In Iberia, the markets in Spain and Gibraltar continue to offer opportunities to introduce and grow UK retail brands by serving demand from both the local population, as well as from the high number of tourists visiting each year. As an example, in 2018 Gibraltar received over 11 million visitor arrivals from its land, sea and air frontiers.

6. Employees

As at 26 April 2019, the Group employed 1,030 people.

Details of the Company's Board and governance arrangements are set out in Part II (*Management*). The total number of employees (in terms of both number and full-time equivalent ("FTE")) by location is shown below:

Number/ (FTE)	Location					
	Jersey	Guernsey	Spain	Gibraltar	UK	Total
Store	685 (543)	184 (146)	35 (23)	34 (22)	0 (0)	938 (734)
Support functions	72 (68)	1 (1)	2 (1)	2 (2)	15 (15)	92 (87)
Total	757 (611)	185 (147)	37 (24)	36 (24)	15 (15)	1,030 (821)

The Company endeavours to attract and retain colleagues who will help to achieve its strategic objectives by delivering excellent customer service in all aspects of the business. Key elements of this are the approach to hiring, ensuring competitive pay and benefits, investing in training and development, and monitoring employee relations.

Approach to hiring

The Company uses a wide variety of media to source suitable candidates. After interview and an offer of employment is accepted, the Company uses probationary assessments to identify and address any potential performance issues with the aim of resolving issues early.

Approach to pay and benefits

The Company aims to offer competitive pay and benefit packages to its colleagues. Regular benchmarking exercises are undertaken to ensure that this remains the case. Store colleague and management pay is organised into pay grade bands, the level of which is reviewed each year in the context of local RPI and market indicators. In addition to basic pay, colleagues receive a wide range of benefits, including a staff discount scheme and the opportunity to join the Company pension scheme where the Company contributes up to 10% in bands reflecting length of service.

More senior colleagues enjoy enhanced benefits such as private health care and a car allowance. Store and head office also enjoy a non-contractual bonus scheme based on achievement of targets in terms of sales, EBITDA and other key performance indicators ("KPIs").

In order to align the interests of Shareholders and employees following Final Admission, the Company proposes to grant share options following Admission, as referred to in more detail in paragraph 6 of Part VI (*Additional Information*) of this Document.

Investing in training and development

Colleagues are encouraged to professionally develop when the training is relevant to their role particularly in respect of roles in Finance, HR, Marketing and IT. All colleagues who hold professional qualifications are encouraged to undertake "Continued Professional Development" in line with their field criteria.

Employee relations

The Company monitors its performance in terms of employee relations through a series of KPIs, tracked every month, including labour turnover, absence, and vacancy rates.

7. Historical Trading (Summary)

A summary of the financial performance of the Group for each of the three years ended 28 January 2017, 27 January 2018, and 26 January 2019 is set out in the table below. This data has been extracted from the audited consolidated financial statements of the Company for the respective years:

Summary Income Statement			
Year ending:	28 January 2017	27 January 2018	26 January 2019
	(£m)	(£m)	(m)
Turnover	155.6	174.9	189.1
Cost of sales	(148.3)	(160.2)	(173.8)
Gross profit	7.3	14.7	15.2
Expenditure	(0.4)	(6.2)	(5.2)
Adjusted EBITDA	6.9	8.4	10.0
Non-recurring and exceptional items	(1.9)	(1.4)	4.3
Depreciation and amortisation	(4.5)	(4.6)	(5.0)
Operating profit	0.5	2.4	9.3
Interest	(3.5)	(1.3)	(1.2)
Tax	(0.3)	(1.2)	(1.3)
Net Profit	(3.2)	(0.1)	6.8
Earnings Per Share (pence)	(3.2)	(0.1)	6.8
Dividend Per Share (pence)	0.5	1.0	N/A

Note: Earnings Per Share and Dividend Per Share have been calculated on the basis of the number of shares in admission following the Final Admission (100,000,000)

Summary Balance Sheet				
Year ending:	28 January 2017	27 January 2018	26 January 2019	26 January 2019
	(£'000)	(£'000)	(£'000)	Restated (£'000) Note
Intangible assets	23,450	27,268	26,169	26,169
Tangible assets	51,661	48,745	66,471	66,471
Investments	2	2	2	2
Total fixed assets	75,113	76,015	92,642	92,642
Stock	7,941	10,203	10,447	10,447
Debtors	4,708	4,089	5,229	5,229
Cash	7,229	11,778	7,619	7,382
Current liabilities	(27,867)	(49,207)	(31,127)	(31,127)
Net current liabilities	(7,989)	(23,137)	(7,832)	(8,069)
Non-current creditors	(16,050)	(2,722)	(24,880)	(20,643)
Net assets	51,074	50,156	59,930	63,930

Note:

At the time of the acquisition of the Company by the current shareholders on 19 February 2016, certain loan notes owned by the previous shareholders were waived immediately prior to the acquisition and some of the balance subsequently redeemed and/or capitalised, leaving £3.7m of loan notes. Along with a further £0.3m issued, the principal value of loan notes immediately following the acquisition was £4.0m. These loan notes reached maturity and were replaced by new loan notes with a principal value of £4.0m on 3 August 2018. On 30 April 2019 the new loan notes were waived, and accumulated interest thereon paid. The effect of this was to increase the Net Assets of the Company by £4.0m, as shown in the column 26 January 2019 restated above.

The audited consolidated financial statements of the Company for the year ended 26 January 2019 are included at Appendix 1 to this Document.

8. Current Trading

The Company has traded in line with expectations in the period since the previous financial year ended 26 January 2019.

For the 8 weeks to 23 March 2019, sales of £26.5m were £(1.0)m behind the equivalent period in the

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previous financial year. Adjusted EBITDA of £0.7m was in line with the equivalent period, and net profit of £0.2m was £0.2m ahead when compared to the previous financial year. The slightly lower sales level is the result of the timing of both Mother's Day and the Easter sales period in the current year, which occurred 3 weeks earlier in the year to 26 January 2019.

Shareholders' funds at 23 March 2019 were £60.1m, compared with £50.0m on 24 March 2018.

The Directors are not aware of any matters, facts or circumstances that would suggest that the Company has not continued to trade in line with expectations for the period since 26 January 2019, or that it will not continue to do so for the rest of the current financial year.

Since the last financial year end, the Company has acquired the freehold property Nelson House at Admiral Park, Guernsey. The cost including stamp duty was £4.85m, which has been partially funded by increasing the HSBC Facility.

9. Borrowings

The Company agreed a 5-year facility agreement with HSBC Bank plc (the "**Lender**") on 11 June 2018, as amended and restated on 13 March 2019, for total facilities of £34,000k (the "**HSBC Facility**"). The facilities were entered into on that date by group companies Sandpiper Midco Limited ("**Midco**"), SandpiperCI Limited, and SandpiperCI Retail Limited and Liberty Wharf 2 Limited. The facilities comprised:

- a term loan of £26,000k, amortising at £480k per quarter. As at 26 January 2019, the balance of the loan was £21,312k;
- a revolving credit facility of £5,000k. As at 26 January 2019, the balance of the loan was £nil; and
- an overdraft of £3,000k. As at 26 January 2019, the balance of the overdraft was £nil.

On 13 March 2019 the Company obtained further loan funds of £4,688k in order to fund the purchase of Nelson House, Admiral Park, Guernsey. £2,500k of this amount was added to the HSBC Facility to increase the total facility to £34,000k. The rate of amortisation remained constant, and the loan term was unchanged. The outstanding principal amount under the HSBC Facility on 23 March 2019 was £26,000k.

The HSBC Facility is secured by way of the following:

- a composite guarantee originally dated 22 June 2011 between Midco and others in favour of the Lender;
- judicial hypothecs (billets) in the sum of £11,000,000, £1,500,000 and £11,375,000 consented to variously by certain companies in the Sandpiper Group and registered at the Royal Court in Jersey;
- bonds in the sum of £11,500,000, £3,600,000 and £4,625,000 consented to variously by certain companies in the Sandpiper Group and registered at the Royal Court in Guernsey;
- a subordination agreement dated 11 June 2018 amongst certain companies in the Sandpiper Group as subordinated creditors and the Lender;
- a Jersey security interest law agreement dated 22 June 2011 pursuant to the Security Interest (Jersey) Law 1983 between the Company and the Lender pursuant to which a security interest was granted in favour of the Lender by the Company over the entire issue share capital of Midco; and
- a Jersey security interest law agreement dated 11 June 2018 pursuant to the Security Interest (Jersey) Law 2012 the Company and the Lender pursuant to which a security interest was granted in favour of the Lender by the Company over the entire issue share capital of Midco.

The Company has loans from Shawbrook International Limited and Investec Asset Finance (Channel Islands) Limited in relation to the acquisition of certain fixed assets. The balance outstanding as at 26 January 2019 was £111k. The Company has given no guarantees in respect of these loans.

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The Company's Spanish subsidiary, Sandpiper Iberia S.L., has entered into bank guarantees with Bankinter, S.A. in respect of the leases for six stores and a storage unit across four locations in Southern Spain. The amount withheld by Bankinter, S.A. under these guarantees as at 26 January 2019 was €287,855.

The Company has no mortgages, guarantees, contingent liabilities or other charges, save as disclosed above. All intra Group liabilities have been disregarded for the purposes of this Listing Document.

As at Admission, there are no loans outstanding by any member of the Group to any of the Directors and no guarantees provided by any member of the Group for the Directors' benefit.

As at 26 January 2019, the indebtedness of the Company, derived from the audited accounts of the Company, is summarised below:

	Company (£m)
Total current debt	1.9
Guaranteed	0.0
Secured	1.9
Unguaranteed/Unsecured	0.0
Total non-current debt	23.4
Guaranteed	0.0
Secured	19.3
Unguaranteed/Unsecured	4.1
Total debt	25.3

Except as detailed above, at the time of Admission the Group will have no other borrowings or indebtedness (other than normal trade bills) or acceptance credits or hire purchase commitments.

10. Freehold Property Estate

As at 26 January 2019, the Company owned 14 freehold properties in Jersey and Guernsey. These include 12 retail shops, which incorporate retail trading space occupied by Company operated retail fascia, along with residential units in some cases. The Company also indirectly owns the Liberty Wharf shopping centre in St Helier, which is occupied by a combination of Company operated fascia (Marks & Spencer Food, iQ, Moss Bros, George, Laura Ashley, Costa Coffee, Cornish Bakery), along with independent retailers, a bar and restaurant and a gym. The Company also owns Traders House, part of which serves as the Company's head office building, and the remaining part is a warehouse facility let to Cimandis Limited (part of Bidvest) on a lease expiring in 2030.

The Company's policy is to have these properties independently valued every three years and to reflect the results in its financial statements. The most recent valuation, as at 31 December 2018 was performed by Cushman and Wakefield and reported a total market value of £44.4m, excluding the Liberty Wharf Shopping Centre. Liberty Wharf was separately valued by Cushman and Wakefield in April 2018, shortly after its acquisition, who reported a market value of £11.4m. The results are summarised below:

Address	Fascia	Tenure	Market value
Benests, St Lawrence, Jersey	Morrisons Daily	Freehold	£6.7m

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Victoria House, St Aubin, Jersey	Morrisons Daily/Costa Coffee	Freehold	£5m
St Ouen, Jersey	Morrisons Daily	Freehold	£5.4m
Queens Road, St Helier, Jersey	Morrisons Daily	Freehold	£2.5m
Val Plaisant, St Helier, Jersey	Morrisons Daily	Freehold	£2m
First Tower, St Helier, Jersey	Checkers Xpress	Freehold	£1.4m
35 King Street	Jack Wills	Freehold	£1.6m
Traders House, St Saviour, Jersey	N/A	Freehold	£5.7m
St Peter, Guernsey	Morrisons Daily	Freehold	£5.9m
L'Islet, St Sampsons, Guernsey	Morrisons Daily	Freehold	£3.6m
Perelle, St Saviour, Guernsey	Morrisons Daily	Freehold	£0.8m
Cobo, Castel, Guernsey	Iceland	Freehold	£3.4m
Capelles, St Sampsons, Guernsey	Checkers Xpress	Freehold	£0.5m
Liberty Wharf Shopping Centre, St Helier, Jersey	Various	Freehold	£11.4m
Total			£55.8m

The valuation reports dated 20 April 2018 and 19 February 2019 in respect of the above properties (the "**Valuations**") were prepared by Cushman & Wakefield Debenham Tie Leung Limited with reliance extended to HSBC Bank Plc (as original addressee) and the Company (the "**Addressees**") only. This summary of the Valuations is being made available for information purposes only on a non-reliance basis, and with no duty owed, to those other parties who view it and who have not entered into a separate agreement with Cushman & Wakefield Debenham Tie Leung Limited in relation to it. The Valuations are subject to Cushman & Wakefield Debenham Tie Leung Limited's terms of engagement with the Addressees and various assumptions and limitations which may not be fully set out in this currently disclosed format.

TO THE FULLEST EXTENT PERMITTED BY LAW, CUSHMAN & WAKEFIELD DEBENHAM TIE LEUNG LIMITED EXCLUDES ALL LIABILITY ARISING FROM THE USE OF OR RELIANCE ON THE VALUATION REPORT BY ANY PERSON (OTHER THAN ADDRESSEES OF THE VALUATIONS) FOR ANY PURPOSES WHATSOEVER.

On 13 March 2019, the Company acquired the freehold of Nelson House, Admiral Park, Guernsey, for a consideration of £4.87m including costs. The building houses two retail warehouse units, one of which is

occupied by the Company's Iceland Admiral Park store, as well as office and residential apartment accommodation.

11. Dividend Policy

As mentioned at paragraph 5 of Key Information, the Company intends to pay two interim dividends each year. It intends to retain profits to fund future capital expenditure of its current business, and to give flexibility to fund expansion opportunities where the Board consider these should be funded by internal resources. Dividends will be declared at the Board's absolute discretion having given careful consideration to the financial position of the Company, and in accordance with applicable laws. Whilst the Board considers dividends as the primary method of returning capital to Shareholders, it may, at its discretion, consider share purchases, when advantageous to Shareholders and where permissible. The Company may revise its dividend policy from time to time.

12. Taxation

The attention of investors is drawn to the information regarding taxation set out in paragraph 17 of Part VI (*Additional Information*) of this Listing Document. The information is intended only as a general guide to the current tax position under Jersey, Guernsey and UK law for certain types of investor.

Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than Jersey, Guernsey or the UK are strongly advised to consult their professional advisers.

PART II - MANAGEMENT

1. Directors

The Board consists of two executive directors (the "**Executive Directors**") and three non-executive directors (the "**Non-Executive Directors**");

Name	Function	Age
Anthony Timothy John O'Neill	Chief Executive Officer	63
Antony John van der Hoorn	Chief Financial Officer	58
Jonathan Richard Ravenscroft	Non-Executive Director	55
Thomas Richard Scott	Non-Executive Director	44
Stephen John Armitage Harrison	Non-Executive Director	58

Biographies of the Directors are set out below:

Anthony O'Neill, Chief Executive Officer

Tony has been CEO of the Company since its buyout in August 2007. He spent 13 years at Marks and Spencer rising to a senior executive position. He subsequently worked for Somerfield where he held the following main Board positions – Managing Director Convenience Division, Buying Director, Group Operations Director and finally Managing Director of Somerfield Stores. He then moved into private equity working on turnarounds as CEO of Minit, Managing Director of Conveco and Managing Director of The Original Factory Shop.

Antony van der Hoorn, Chief Financial Officer

Tony was appointed as CFO of the Company in 2019 following his return to the UK from New Zealand. Tony qualified as a chartered accountant with KPMG in New Zealand and then transferred to the UK management consulting practice. He has subsequently held senior financial positions in UK retail organisations such as Littlewoods, Iceland Stores and most latterly Sainsbury's Supermarkets where he was the Director of Corporate Finance. Tony has also been CFO for two of New Zealand's largest retail businesses – Foodstuffs (food retail) and Farmlands (rural supplies).

Jonathan Ravenscroft, Non-Executive Director

Jon has enjoyed over 35 years in investments and corporate finance and is a Fellow of the Chartered Institute for Securities & Investment. He founded Ravenscroft Limited (formerly Cenkos Channel Islands Limited) in 2005, which currently has assets approaching nearly £7bn under administration.

Jon has extensive experience of investing in, mentoring and advising Channel Islands' companies over these years and has been instrumental in establishing local funds which provide the opportunity to invest into local businesses and commercial property.

Thomas Scott, Non-Executive Director

Tom is a director and one of the ultimate beneficial owners of Sealyham Investments Limited, a significant investor in the Company. Tom, who is a Chartered Accountant, joined the Board in 2016 and previously

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served as a non-executive director of C.I. Traders Limited and Ann Street Brewery Limited. His other principal areas of interest are in commercial property development in the Channel Islands, Leicester Tigers rugby club and general financial, retail & leisure investments.

Fintan Kennedy has been appointed as a permanent alternate director for Tom Scott.

Stephen Harrison, Non-Executive Director

Stephen joined the Company in November 2007 and was appointed Group Finance Director in December 2007. He graduated with a BEng (Hons) in Electrical Engineering from Imperial College, London, and an MSc in Management (now MBA) at London Business School before joining Coopers and Lybrand as a Consultant. His early career was spent in financial management roles with General Motors, PepsiCo and Asda. He was Finance Director of Dollond & Aitchison Limited, and Group Finance Director and latterly COO of Leeds United plc. Prior to joining the Company, he held senior divisional finance director roles at Northern Foods plc. Stephen stepped down as Group Finance Director and Secretary of the Company in 2019 in order to focus on other projects.

2. Senior Management

Five senior managers (in addition to the Chief Financial Officer) report to the CEO:

Name	Function	Year Joined	Age
Mike Rutter	Managing Director, Food Retail	2007 ⁽¹⁾	54
Stephen Forrester	Managing Director, M&S Jersey and Laura Ashley, Head of HR	2006	43
Caroline Slowey-Dickinson	Brand Director, IQ, Card Factory and Food Franchises	2007	38
Clair Sequeira	Brand Director, Clothing Franchises	1998	45
Neil Walker	Managing Director, Sandpiper Iberia	2011	35

(1) Mike Rutter has performed roles during four separate periods at the Company, the most recent of which began in January 2018

3. Corporate governance and internal controls

The Board is committed to high standards of corporate governance and business integrity in all of its activities.

The Board comprises five Directors, two of whom are executive directors and three of whom are non-executive directors, reflecting a blend of different experience and backgrounds. None of the Directors are considered to be independent of the Company.

The Directors acknowledge the importance of the principles set out in the Finance Sector Code of Corporate Governance issued by the Guernsey Financial Services Commission (the "**Code**") . Whilst there is no regulatory requirement for the Company to adhere to the Code, the Directors intend to apply the Code as far as they consider appropriate for the size and nature of the Company.

The Board meets regularly to consider strategy, performance and the framework of internal controls. To enable the Board to discharge its duties, all Directors receive appropriate and timely reports as well as direct access to any information on request. Briefing papers are distributed to all Directors in advance of Board meetings. All Directors have access to the advice and services of the Company Secretary, who is

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responsible for ensuring that Board procedures are followed and that applicable rules and regulations are complied with. In addition, procedures are in place to enable the Directors to obtain independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.

The Board intends to establish an audit committee which will be responsible for reviewing and monitoring internal financial control systems and risk management systems on which the Company is reliant, considering annual and interim accounts and audit reports, considering the appointment and remuneration of the Company's auditors and monitoring and reviewing annually their independence, objectivity, effectiveness and qualifications.

The Board also intends to establish a remuneration committee that will be responsible for, inter alia, the Company's remuneration policy and for reviewing and recommending all Director and senior executives' remuneration, bonuses and incentives.

The Board also intends to establish a nominations committee with responsibility for identifying suitable candidates to be appointed as directors as and when a vacancy may arise. This committee will only meet as required.

The audit, remuneration and nominations committees will be made up of the three non-executive directors, with executive directors in attendance as required.

PART III - RISK FACTORS

Any investment in the Ordinary Shares is subject to a number of risks. Prior to investing in the Ordinary Shares, prospective investors should consider carefully the factors and risks associated with any such investment in the Ordinary Shares, the Group's business and the industry in which it operates, together with all other information contained in this Listing Document including, in particular, the risk factors described below.

The risks and uncertainties described below represent those the Directors consider to be material as at the date of this Listing Document. However, these risks and uncertainties are not the only ones facing the Group. Additional risks and uncertainties not presently known to the Directors, or that the Directors currently consider to be immaterial, may individually or cumulatively also materially and adversely affect the business, results of operations, financial condition and/or prospects of the Group. If any or a combination of these risks actually occurs, the business, results of operations, financial condition and/or prospects of the Group could be materially and adversely affected. In such case, the market price of the Ordinary Shares could decline and investors may lose all or part of their investment. Investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in the light of the information in this Listing Document and their personal circumstances.

The following is not an exhaustive list or explanation of all risks that prospective investors may face when making an investment in Ordinary Shares and should be used as guidance only. The order in which risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential harm to the Company's business, prospects, results of operations and financial position.

1. Specific Risks to the Company's Business

Business strategy

The Company's strategy is to continue to grow profitably via both organic and acquisitive means as set out in this Listing Document. The Company may not be successful in implementing this strategy, and even if it is, the results of implementation may not be as successful as the Directors expect. Organic growth may prove more difficult to achieve as a result of market weakness, cost price increases, or any other external factor. It could also be hampered by failure of internal processes required to support growth.

Acquisition targets may not be available at all, or available at prices that the Company believes are acceptable to pay. In reaching the decision to acquire a company or asset, the Company performs an appraisal of its future contribution to the Company's performance. If this appraisal is inaccurate, or the results of the acquisition do not perform as expected, there may be an adverse impact on the future performance of the Company. The failure of any element of the Company's strategy to be executed or to perform in line with expectation could mean that financial performance may be lower than expected.

Competition law could have an impact on the speed and completion risk of acquiring new businesses in the Channel Islands.

Employee risk

The Company takes care to recruit employees to meet the needs of the business, and provides training and development as needed to support them in their roles. The Company also maintains an internal control environment in respect of financial control and health and safety which it believes is appropriate. However, errors or misconduct by any employee or group of employees could subject the Company to the risk of loss or damages as a result of their actions. Such loss or damages could include, amongst other things, loss through fraud, fines for breaches of health and safety legislation, fines for breaches of food hygiene regulations, claims from customers for avoidable "slips and trips", theft of goods, money, or cash-equivalent items such as lottery cards sold in stores.

Losses or damages incurred could have a material adverse effect on the financial results of the Company.

Financial controls and internal reporting processes

The Company's future growth and performance will depend in part on its ability to manage growth and to continue to maintain and develop appropriate operational, financial and management information systems on a timely basis, whilst at the same time maintaining effective cost controls. Any damage to, failure of or inability to maintain, expand and upgrade effective operational, financial and management information systems and internal controls in line with the Company's growth could have a material adverse effect on the Company's business, financial condition and results of operations.

Ability to attract and retain staff

The Company has well-developed recruitment procedures and pay and benefit structures, and historically has enjoyed good success in attracting and retaining staff. However, any change in the local employment markets in which the Company seeks to recruit, or in the attractiveness of the Company or its pay and benefit structures to potential employees, may make it more difficult to attract and retain staff with the appropriate skills to enable the Company to fulfil its strategic objectives. This in turn could affect the trading performance of the Company. The ability to attract and retain new employees with the appropriate expertise and skills cannot be guaranteed.

Reliance on key executives and personnel

The Company has a stable and long-serving team of Directors and senior management. The performance and future development of the Company's business are, to a significant extent, dependent on their continued services and performance. As a result, the Company has taken steps to secure the long-term services of the senior team through implementation of share option and other short and longer-term incentive packages. The Directors believe that the loss of service of any existing key executives, for any reason, or failure to attract and retain necessary additional personnel, could adversely affect the operational and financial performance of the Company, together with its future development.

Jersey's population management policy may have an impact on the Company's ability to replace its senior staff on a like-for-like basis. If there are no suitable candidates on-island, then the Company will have to take the availability of housing and employment licences into consideration in hiring a candidate from the UK or elsewhere.

Disruption to operations or systems

The Company depends on the performance, reliability and availability of information technology systems, servers, networks, hardware and software. Amongst other roles, these systems support the timely order and delivery of product into the Company's stores, as well as the ability to sell goods in stores via till systems, and to record the results of those sales in the Company's financial accounting records. The Company invests to maintain and renew its systems, and it maintains an internal information technology support team, as well as enjoying the support of its outsourced hardware service provider and software suppliers. However, any disruption to the ongoing performance, reliability and availability of the Company's systems, even to the extent that these are covered by the Company's disaster recovery plans, could have a material adverse effect on the Company's operations and financial performance. Any damage to, or failure of, its systems could result in disruption to the Company's operations. The Company's disaster recovery plans may not adequately address every potential event and its insurance policies may not cover any loss in full or in part or damage that it suffers fully or at all, which could have a materially adverse effect on the Company's business, financial condition and results of operations.

Insurance risk

The Company maintains insurance cover to protect against certain risks commonly insured in the retail

industry. The Company believes its coverage to be appropriate for the risk environment it faces, and that the insurers with whom it contracts are both reliable and financially secure. However, there is no guarantee that any insurance policy will deliver the compensation expected in the event of a claim, either because of dispute over the cause of the incident, or of the coverage of the policy, or of financial or other failure on behalf of the insurer. There are also risks against which the Company cannot insure, or may elect not to insure. Likewise, there is no guarantee that it will continue to be possible to insure risks that are currently covered, as a result of a change in insurance market conditions, the risk appetite of the current insurer, or other factors. Any liabilities which are not covered by insurance, or for which compensation is not received in the event of a claim, could have a material adverse impact on the financial condition of the Company.

Borrowing and interest rate risk

The Company has taken out various borrowings from the Company's Bankers and the main companies within the Group have given cross guarantees in favour of the Company's Bankers to secure the facilities. The facilities are subject to three covenant tests and the interest rate payable is linked to the Bank of England Base Rate. In addition, in the event that the Group's profit falls for whatever reason, the use of borrowings will increase the impact of such a fall in the net profit of the Group and accordingly will have an adverse effect on the Company's ability to pay dividends to Shareholders.

The Company pays interest on its borrowings. As such, the Company is exposed to interest rate risk due to fluctuations in the prevailing market rates. Interest rate movements may adversely affect the interest payable on the Company's variable rate borrowings. In the event that interest rate movements raise the interest required to be paid by the Company, returns to investors will be reduced.

Although the Company is not currently in breach of any covenants set forth in any agreements related to its debt facilities, if in future the Company were to experience the occurrence of events of default or breaches of financial or performance covenants under its financing arrangements, this could result in the amortisation, default, and/or acceleration of such facilities and could reduce or terminate the Company's access to institutional funding. If such an event were to occur, it would have a material adverse effect on the Company's business, financial condition, operating results and cash flow.

Any amounts that are advanced under a bank or other debt facility will rank ahead of Shareholders' entitlements and, accordingly, Shareholders may not recover their initial investment in some circumstances.

Exchange rate risk

The Company is exposed to exchange rate fluctuations, primarily in respect of euros as a result of its franchise operations in Spain. To the extent that the receipt of euros in Spain does not balance payments made in euros, the Company may make either a profit or loss depending on the fluctuation of the euro exchange rate compared to pounds sterling. The Company monitors its overall exposure to foreign exchange fluctuations and decides whether or not to use derivative financial instruments, including foreign exchange contracts to hedge the risk. At the date of this Listing Document, no instruments are in place. In the event of a substantial change in the exchange rate, and of receipts and payments of euros not being in balance, the Company might incur losses which may result in its financial performance being lower than expected.

Cost price inflation risk

Input cost prices both for products to be sold to customers, as well as goods and services not for resale, including utility costs, are subject to price fluctuation which are not within the Company's control. The vast majority of the Company's purchases are transacted at "spot prices". To the extent that the value of cost increases cannot be passed on to customers in the form of the prices charged for the Company's goods, there will be an adverse impact on the Company's business, results of operations, or financial

condition.

Key franchise performance or loss

A significant proportion of the Company's financial performance is driven by the performance of the brands that it operates under franchise. To the extent that a specific brand is performing badly in the wider UK retail market, or that the owner of the franchise delivers operational performance to the Company in respect of availability of goods, quality of merchandise or other factors, it is possible that the franchise may perform below the Company's targets or expectations. It is also possible that the owner of the franchise may cease trading, or be unable to continue to operate the brand as a franchise for other reasons. It is also possible that the Company may suffer reputational or wider operational or financial performance damage as a result of issues affecting the owner of the franchise, for example, but not limited to, product recalls or negative media comment surrounding the brand. Any of these factors may result in the financial performance of the Company being lower than expected.

While the Company maintains close relations with its franchise partners, there is also the danger that the Company may, through a performance shortfall on its behalf, or inadvertently, breach the contractual requirements of the franchise contract. Similarly, the brand owner may decide not to renew the franchise agreement at the conclusion of the agreed term. As a result of either of these events, the future financial performance of the Company may not be as currently expected.

Reputation with customer base

The Group has direct interaction with the end customer. There is a risk that circumstances outside the Group's control may lead to reputational issues which may affect the future performance of the Group. Similarly, the Group's reputation is key to maintaining its existing customers and attracting new customers. Any reputational issues could have a material adverse effect on the business, results of operations, financial condition and prospects of the Group

Loss of, or restriction of access to, physical premises

The Company operates from a head office building in Jersey and from either owned or leased stores in the Channel Islands, Spain and Gibraltar. The ability to organise its business from the head office building and to trade from the store locations is critical to the Company's ability to deliver its targeted sales and profits. The Company maintains insurance cover to mitigate the impact of disruption to operations, however, the loss, either temporarily or permanently, of a specific location or group of locations, for example as a result of fire or flooding, or of an inability to renew a store lease at an acceptable rental level, could lead to an adverse effect on the Company's operational and financial performance. Likewise, the prevention of access to premises, as a result of road closure or other factors may lead to an adverse effect on the Company's operational and financial performance.

Supply chain disruption

The Company relies on the existence and operational performance of third-party owned and operated supply chains for each of the retail formats which it operates. The Company experiences short-term disruption from time-to-time as a result of inclement weather, mechanical breakdown of lorries or boats, errors or disruption at warehouses, road traffic and other factors. However, longer-term disruption to any individual supply chain or to a common link to all supply chains (e.g. closure of a shipping route from the UK) could have a material effect on the ability of the Company to receive goods into store and hence to sell those goods to the public. This could in turn have a material effect on the operational and financial performance of the Company.

Tax

Any change in the Company's tax status or in tax legislation in Jersey, Guernsey, Gibraltar or Spain would

impact the Company. Profits from the Group's subsidiaries are paid to the Group by way of dividend or loan repayment and changes to the taxation of profits and withholding tax on dividends could increase the Company's overall tax rate and have a material adverse effect on the Company's financial condition.

The Company is subject to retail tax in Jersey. Equivalent business such as the Channel Islands Co-operative is not subject to such tax as they are a mutual society, thereby giving them a clear advantage when it comes to profits.

The attention of potential investors is drawn to paragraph 17 of Part VI (*Additional Information*) of this Document headed "Taxation". The tax rules and their interpretation relating to an investment in the Company may change during its life. Any change in the Company's tax status or in taxation legislation or its interpretation could affect the value of the investments held in the Company or the Company's ability to provide returns to Shareholders or alter the post-tax returns to Shareholders. Representations in this Document concerning the taxation of the Company and its investors are based upon current tax law and practice which is, in principle, subject to change. Current and potential investors are strongly recommended to consult an authorised and qualified financial adviser who specialises in investments of this nature before making any investment decision in respect of the Ordinary Shares.

Litigation

As at the date of this Listing Document, the Company is not aware of any proceedings pending against the Company or any member of the Group which might have a significant effect on the Company's financial position or profitability. Were this position to change, and any proceedings to lead ultimately to a judgement against the Company which was not covered by the Company's insurance policies, there could be a material adverse impact on the Company's financial condition.

Regulatory risk

Adverse developments in the political, legal, economic and regulatory environments of the geographies in which the Group may operate may materially and adversely affect the financial position and business prospects of the Group. Political and economic uncertainties include, but are not limited to, expropriation, acts of nationalisation, changes in interest rates, changes in the retail prices index, and changes in taxation and changes in law. Whilst the Group strives to take effective measures such as prudent financial management, deploying robust policies and efficient operating procedures, there is no assurance that adverse political, economic, legal and regulatory factors will not materially and adversely affect the Group. There may be a change in the regulatory environment which may materially adversely affect the Group's ability to implement successfully the strategy set out in this Document.

2. General Risks Relating to the Company and its Industry

Exposure to economic cycle

The Company's business is to a large extent dependent on macro-economic factors such as the level of Gross Domestic Product, interest rates, availability of credit, consumer confidence, equity market conditions, unemployment rates and other factors, and the way in which these influence consumer behaviour and spending patterns. The Company's operating and financial performance could be affected by matters outside its control in the event that macro-economic events transpire that adversely impact consumer behaviour.

Market conditions may also influence the value of the Company's share price regardless of the Company's own operating or financial performance.

Decline of the high street

The Company's stores are in the main situated in "High Street" or in prominent rural parish locations in

the Channel Islands. The retail sector has been in apparent decline in recent months, with several retailers closing or reducing the extent of their operations. The Company believes that part of this decline is due to the increased growth of online retailing, which provides direct and increasing competition to retailers in general, including the Company's stores. To the extent that traditional retail continues to decline (and online retail activity and value increases), this poses a threat to the current and future sales and profitability of the Company's retail activities.

General risks facing retailers

The Company is exposed to macroeconomic and industry-specific risks, which may impact on future revenues and profitability. In the context of a predominantly physical or "high street" retail business, those risks include rising property prices, increasing inflation (which may be compounded by Brexit), increasing staff wages, reducing customer spending power, a shift to online shopping and over-supply.

Future funding risk

The future capital requirements of the Company will depend on its financial performance, its capital expenditure programmes, and the extent to which it wishes to make acquisitions of assets or businesses. In order to meet these requirements, the Company may need to raise funds either through increased bank facilities, or through issuing further equity, or through other routes. There is no guarantee that these routes will be open to the Company at such time as it seeks to raise funds, or that funds if available will be on terms that the Company is able to afford, which may prevent realisation of the Company's strategy and even its ongoing viability. Should the issue of future shares be required in order to raise funds, this would have the effect of diluting the ownership interest of existing shareholders.

Counterparty credit risk

There is a risk that parties with whom the Group trades or has other business relationships (including partners, customers, suppliers, subcontractors and other parties) may become insolvent. This may be as a result of general economic conditions or factors specific to that company. In the event that a party with whom the Group trades becomes insolvent, this could have an adverse impact on the revenues and profitability of the Group.

Force majeure

There is a risk that the territories in which the Company operates now (Jersey, Guernsey, Spain and Gibraltar), and any others in which it operates in the future, may be affected by events such as war, civil war, riot or armed conflict, acts of terrorism, floods, explosions or other catastrophes, epidemics or quarantine restrictions, which are outside the control of the Company and generally not covered by insurance. Any or all of these events could have a material adverse impact on the Company's business and its future financial condition.

Laws and regulations

The Company is subject to the laws of the territories in which it operates. Existing and future legislation and regulation could have the effect of increasing the Company's costs, capital expenditure, and operational complexity. No guarantee can be given that new laws, rules and regulations will not be enacted or that existing laws rules and regulations will not be modified or applied in ways which result in limitations on the ability to operate its business in the same way as it is able to currently. These may result in a material adverse effect on the Company's business and future financial condition. The Company may also have to defend itself against legal proceedings which could have a material effect on its profitability and cash resources.

Competition

The Company operates in competitive markets, and there are no restrictions on the ability of other companies to enter the Company's markets with similar or superior product or service offerings, subject to the availability of staff, premises and supply chains. New market entrants (or existing market participants) might sell goods at materially lower prices than are currently charged in the marketplace, at levels which would either create a significant drop in the Company's profitability should it attempt to match those price levels, or to a significant loss of market share and in turn loss of sales and profitability if it is either unwilling or unable to match those price levels.

Brexit

The consequences of the decision of the United Kingdom to exit the European Union, and the nature if any of its future trading relationship with the European Union is, at the date of this Listing Document, unclear. The resulting impact on the economies and markets in which the Company currently operates is correspondingly unclear, and could potentially result in a materially adverse operating environment, with lower profitability as a result.

3. Risks Relating to the Placing and the Ordinary Shares

Suitability of the Ordinary Shares

Investment in the Ordinary Shares may not be suitable for all readers of this Listing Document. Readers are accordingly advised to consult a person duly qualified and authorised to offer advice in terms of investments of this nature before making any investment decisions.

Volatility in the prices of Ordinary Shares

The Placing Price may not be indicative of the market price for the Ordinary Shares following Final Admission. The market price of the Ordinary Shares following Final Admission may fluctuate widely and in a volatile manner, which may be unrelated to the operating or financial performance of the Company. Factors influencing the price of the Ordinary Shares may include the overall level and volatility of public equity markets, variations in operating results in the Company's reporting periods, the share price performance of other companies that investors may deem to be comparable to the Company, the views of analysts or commentators on the Company and its market sectors, changes in financial estimates by securities analysts, announcements by the Company of its trading performance and future plans or notifiable events, legislative or regulatory changes, national and global economic conditions, the arrival or departure of key executives, large purchases or sales of Ordinary Shares, liquidity (or absence of liquidity) in the Ordinary Shares and other factors and events. The price at which the Ordinary Shares will be traded and the price at which investors may realise these investments will be influenced by a large number of factors, some not specific to the Company and its operations. Furthermore, there is no guarantee that the market price of an Ordinary Share will accurately reflect either the Company's or an investor's view of its underlying valuation. As a result, investors may not be able to sell their Ordinary Shares at or above their cost of acquisition, or even at all.

Liquidity of Ordinary Shares

Prior to Initial Admission, there has been no public trading market for the Ordinary Shares. Admission to TISE should not be taken as implying that a liquid market for the Ordinary Shares will either develop or be sustained following Final Admission. The Company cannot predict the extent to which investor interest in the Ordinary Shares will lead to the development of a trading market. The liquidity of a securities market is often a function of the volume of the underlying shares that are publicly held by unrelated parties. If a liquid trading market for the Ordinary Shares does not develop, the price of the Ordinary Shares may become more volatile, and it may become more difficult to complete a buy or sell order for Ordinary Shares.

Dilution through exercise of options

The Company will issue options over Ordinary Shares to certain employees after Final Admission (the "New Option Scheme"). These options can be exercised on the third anniversary of grant, or earlier at the discretion of the Board on the occurrence of certain events such as takeover of the Company, and the options will expire on the tenth anniversary of grant. Exercise of the New Option Scheme would have the effect of diluting the ownership interest of existing Shareholders.

Dilution through issue of new Ordinary Shares

The Company does not currently have any plans to issue new Ordinary Shares, except (i) in relation to the new Ordinary Shares to be issued to Huntress in respect of the Remaining Share Option, and (ii) through the exercise of the New Option Scheme. However, it may in future decide to do so in order, for example, to fund an acquisition of assets or business, or to pursue other growth opportunities. If existing Shareholders do not subscribe for additional Ordinary Shares on a pro rata basis in accordance with their existing shareholdings, this would result in the dilution of their existing interest in the Company. The issue of more Ordinary Shares by the Company, or the possibility of such issue, may cause the market price of the Ordinary Shares to decline, and may make it more difficult for Shareholders to sell Ordinary Shares at a desirable time or price, or at all. There is no guarantee that market conditions prevailing at the relevant time will allow for such fundraising or that new investors will be prepared to subscribe for Ordinary Shares at a price which is equal to or in excess of the Placing Price.

Dividend risk

The ability of the Company to pay a dividend will depend inter alia on the Company's financial performance, which will in turn depend on a wide variety of factors and is subject to the risks listed in this Part III. Further, the ability of the Company to pay a dividend will depend on the solvency of the Company and on the ability of the Directors to certify that, in their opinion, the Company will be able to discharge its liabilities as they fall due for the next 12 months. Any change in the tax treatment of dividends or interest received by the Company may reduce the amounts available for dividend distribution. Any of the foregoing could limit the payment of dividends to Shareholders or, if the Company does pay dividends, the amount of such dividends. In addition, the ability of the Company's foreign domiciled subsidiaries to make cash payments to the Company for onward distribution may be restricted as a result of foreign exchange limitations, and regulatory, fiscal and other restrictions.

Exchange rate risk

The Ordinary Shares will be quoted, and any dividends paid in respect of them will be paid, in pounds sterling. The impact of fluctuations in the exchange rate against the principal currency of a territory, in which an individual investor is domiciled, may have the effect of reducing the foreign currency value of the dividend payment.

Maintenance of TISE listing

The Company has no intention at present either not to maintain its listing on TISE following Final Admission, nor to obtain a listing on another exchange. If in the future either of these events were to take place, the price of the Ordinary Shares may drop and the liquidity of the Ordinary Shares traded on TISE may fall.

Future substantial sales risk

The market price of the Ordinary Shares could decline significantly as a result of any sales of the Ordinary Shares by current or future holders of significant shareholdings. Current significant shareholdings are set out in paragraph 5 of Part VI (*Additional Information*) of this Document and details of the relevant lock-in periods are set out in paragraph 15 of Part VI (*Additional Information*) of this Document.

Conditionality of the Placing

The Placing is conditional upon, amongst other things, Admission. In the event that any condition to which Admission is subject is not met or, if capable of waiver, waived, Admission (and therefore the Placing) will, respectively, not occur.

Legislation and tax status

This Listing Document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors' interpretation thereof. Such interpretation may not be correct and it is also possible that legislation, rules and practices may change. Any change in legislation or regulation, including the tax status or residence of the Company, or in tax legislation or practice may have a material adverse effect on the returns available on an investment in the Company.

PART IV - SUMMARY OF THE PLACING

1. Details of the Placing

The Listing will comprise (a) an introduction of Ordinary Shares, comprising (i) certain Existing Shares to be retained by the Retaining Existing Shares Shareholders; and (ii) certain New Shares to be retained by the Retaining New Shares Shareholders; and (b) a placing of Ordinary Shares, comprising (i) certain Existing Shares to be sold by the Selling Existing Shares Shareholders; and (ii) certain New Shares to be sold by the Selling New Shares Shareholders.

The Placing, which is not being underwritten, comprises the Placing at the Placing Price of the Sale Shares. Assuming that the maximum number of Sale Shares is sold, the Sale Shares will represent 25.12 per cent. of the issued share capital of the Company immediately following Final Admission. No debt securities will be issued.

The Placing is conditional, amongst other things, on Admission becoming effective.

The Company will not retain any proceeds from the sale of the Sale Shares; the proceeds will be received by the Selling Shareholders. The costs associated with Admission will be borne by the Company. Any Sale Shares that are not successfully placed will continue to be held by Huntress on behalf of the Selling Shareholders.

Under the Placing Agreement, as further described at paragraph 15 of Part VI (*Additional Information*) of this Listing Document, the Company, in the case of the Sale Shares has agreed to pay a commission of 4 per cent. of the value of the relevant Sale Shares at the Placing Price. Each Selling Shareholder will be liable for any costs associated with opening and trading through a broking account in order to hold and/or sell their Ordinary Shares.

The Executive Directors and certain of the Selling Shareholders will be subject to formal lock-in arrangements in respect of the Ordinary Shares that they hold, as further described at paragraph 15 of Part VI (*Additional Information*) of this Listing Document.

2. Admission

As noted above, it is proposed that Admission is structured as follows:

1. the existing issued Ordinary Shares in the share capital of the Company immediately prior to Initial Admission (the "**Existing Shares**") are sub-divided into 83,566,365 Ordinary Shares;
2. the Existing Shares are admitted to trading on the Official List (the "**Initial Admission**");
3. following the Initial Admission, the share options previously granted by the Company to the Optionholders⁽¹⁾ are exercised and the shares subject of the options are issued as 3,261,422 Ordinary Shares and 939,412 A Ordinary Shares (the "**Option Shares**");

Notes:

- (1) One of the Optionholders has an option over 111,111 Ordinary Shares in the Company at an exercise price of £1 per Ordinary Share, which will remain unexercised as at Admission (the "**Remaining Share Option**"). As a result of the sub-division referred to in step 6 below, the number of Ordinary Shares to which the Remaining Share Option relates is 434,663 (the "**Remaining Share Option Shares**"). The Company will issue as unpaid the Remaining Share Option Shares to Huntress (as defined below) as part of step 3 above, to be held by Huntress until such time as the Remaining Share Option is exercised (expected to be September 2019), following which the Remaining Share Option Shares will be transferred to the relevant Optionholder, subject to the Optionholder paying to the Company the exercise price of £111,111. Given that the Remaining Share Option Shares will be in issue at Admission, they are included in the total number of Option Shares as if the Remaining Share Option had been exercised at Admission. The Company and Huntress will enter into an agreement to record this arrangement, and whilst that agreement is operational the Remaining Share Option Shares will not be freely tradeable and transferable.

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Furthermore, during the time that Huntress holds the Remaining Share Option Shares under the terms of that agreement, those shares shall remain unpaid.

4. following the issue of the Option Shares, in addition to the Existing Shares, 3,261,442 Ordinary Shares, 939,412 A Ordinary Shares and 939,412 B Ordinary Shares will be in issue in the share capital of the Company;
5. each A and B Ordinary Share in issue is combined and converted into 1 Ordinary Share (the "**Conversion**"), following which, in addition to the Existing Shares, 4,200,854 Ordinary Shares will be in issue in the share capital of the Company (the "**Pre-Subdivision New Shares**");
6. the Pre-Subdivision New Shares are subdivided into 16,433,635 Ordinary Shares (the "**New Shares**"); and
7. the New Shares are admitted to trading on the Official List ("**Final Admission**").

An application has been made to TISEA for (i) the Existing Shares; and (ii) the New Shares, each to be admitted to trading on the Official List. Admission is expected to take place and dealings in the Ordinary Shares are expected to commence at 8a.m. on 31 May 2019. The Ordinary Shares are in registered form and will be capable of being held in certificated form and in CREST from the Final Admission date.

3. Settlement and dealings

It is expected that definitive share certificates will be despatched to placees, at the risk of the person entitled thereto, within 10 business days of Final Admission (where applicable), and CREST accounts will be credited on or around the date of Admission (where applicable). No temporary documents of title will be issued. Timing and payment of the Placing Price will be in accordance with the Placing Letter (as defined in the Placing Agreement).

PART V - CONFLICTS OF INTEREST

It is recognised that any conflicts of interest, in terms of an interest in a transaction or proposed transaction with the Company, must be reported by the Directors to the Company in accordance with Article 75 of the Companies Law. This requirement is also set out in the Articles as detailed in Part VI (Additional Information), Summary of the Articles of this Listing Document.

It is recognised that Article 75 of the Companies Law states that a general disclosure to the Board to the effect that a Director has an interest (as director, officer, employee, member or otherwise) in a party and is to be regarded as interested in any transaction which may after the date of the disclosure be entered into with that party is sufficient disclosure of interest in relation to that transaction. This statement is also set out in the Articles.

The Company also maintains a '*Register of Outside Directorships*' recording other directorships held by the Directors as reported to it.

Furthermore, the Company prepares consolidated financial statements in accordance with applicable United Kingdom accounting standards and material related party transactions are reported for each reporting period in accordance with FRS102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland".

The Directors are aware of their legal duties in respect of any conflict of interests and believe that the procedures in place to record and manage such conflicts of interest are appropriate. Set out below are the interests and directorships reported to the Company:

Ravenscroft

Ravenscroft is a consultant to the Company and is the Listing Sponsor and Placing Agent, and has been appointed as Market Maker subject to and effective on Admission. Ravenscroft is also the investment manager and market maker to Bailiwick Investments Limited ("**BIL**"), which held 36.37% of the Company's share capital immediately prior to Admission. BIL has committed to sell up to 6,373,333 Ordinary Shares as part of the Placing.

In light of this information, Ravenscroft has advised that it considers the Company to be a connected stock. Where Shareholders hold their Ordinary Shares in an account with Ravenscroft, whereby Huntress is the registered holder of the Ordinary Shares, as a matter of best practice Ravenscroft has confirmed that Huntress will not, except as expressly instructed by the beneficial owner, exercise its voting rights in connection with the Ordinary Shares.

PART VI - ADDITIONAL INFORMATION

1. Incorporation and status of the Company

The Company was incorporated and registered in Jersey under the Companies (Jersey) Law 1991 on 4 June 2007 with registered number 97651 as a private company limited by shares. The status of the Company was changed from a private company limited by shares to a public company limited by shares on 21 May 2019.

The name of the Company was changed from Sandpiper Topco Limited to SandpiperCI Group Limited on 21 May 2019. The Company's registered office is 1-2 L'Avenue le Bas, St Saviour, Jersey, JE4 8NB. The statutory books of the Company are kept at this address.

Subject to the applicable laws, the liability of the members of the Company is limited.

2. Share capital and holdings of the Company

The Company's authorised and issued share capital on the date of this Listing Document, and as it is expected to be immediately following Initial Admission and Final Admission is set out below. The Company does not hold any shares in treasury.

At the date of this Listing Document

Authorised, called up and fully paid no par value shares	Number
Ordinary Shares	83,566,365
A Ordinary Shares	0
B Ordinary Shares	939,412

Following Initial Admission

Authorised, called up and fully paid no par value shares	Number
Ordinary Shares	83,566,365
A Ordinary Shares	0
B Ordinary Shares	939,412

Following Initial Admission and exercise of share options (prior to share split and conversion)

Authorised, called up and fully paid no par value shares	Number
Ordinary Shares	86,827,807 ⁽¹⁾
A Ordinary Shares	939,412
B Ordinary Shares	939,412

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Notes:

- (1) This number includes the shares issued unpaid to Huntress in respect of the Remaining Share Option (anticipated to be exercised September 2019).

Following Final Admission

Authorised, called up and fully paid no par value shares	Number
Ordinary Shares	99,565,337
A Ordinary Shares	0
B Ordinary Shares	0

Authorised but not fully paid no par value shares	Number
Ordinary Shares	434,663 (1)
A Ordinary Shares	0
B Ordinary Shares	0

Notes:

- (1) This number refers to the shares issued unpaid to Huntress in respect of the Remaining Share Option (anticipated to be exercised September 2019). The total to be paid up in respect of those shares is £111,111.

Total issued no par value shares	Number
Ordinary Shares	100,000,000
A Ordinary Shares	0
B Ordinary Shares	0

The 434,663 unpaid Ordinary Shares which will be held by Huntress at Admission will be subject to certain restrictions on their share rights (by virtue of being unpaid) as follows:

- The Company has a lien on any share not fully paid;
- The Board can elect to call up the unpaid share capital at its discretion on 1 months' notice;
- In the event that a call is made and the amount remains unpaid, the shares are forfeited;
- Any transfer instrument in respect of those shares must be countersigned by the transferee;
- The Board has discretion in respect of whether to register the transfer of a certificated share that is not fully paid;
- The shares will have no voting rights and no right to receive a dividend;
- The holder will only be entitled to notice of an annual general meeting in certain circumstances (i.e. (i) if the relevant resolutions directly and adversely affect the rights attached to those shares, (ii) on the winding up of the Company or (iii) in relation to the repayment or distribution of capital to ordinary members); and

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- The holder will not be entitled to require the Company to circulate a resolution or corresponding explanatory notes.

Other than the alterations contemplated by the transactions disclosed in this Listing Document, there have been no alterations to the share capital of the Company in the two years immediately preceding the date of this Listing Document.

Save for the potential issue of Ordinary Shares to satisfy the options disclosed below, the shares issued to Huntress in respect of the Remaining Share Option, or any other option granted pursuant to the Share Option Plans, no capital of the Company nor any capital of any company in the Group is proposed to be issued or is under option or is agreed conditionally or unconditionally to be put under option.

The Ordinary Shares will, on Initial Admission and Final Admission, except as detailed above rank *pari passu* in all respects and will rank in full for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company.

The Group does not have any debt securities outstanding, nor does it intend to issue any on either Initial Admission or Final Admission.

As mentioned above at paragraph 2 of Part IV (*Summary of the Placing*), it is proposed that the share options previously granted by the Company to various persons are exercised (with the exception of the Remaining Share Option which remains unexercised, despite the fact that an equivalent number of shares will be in issue) and the Option Shares (including those in relation to the Remaining Share Option) issued at Final Admission, following the Initial Admission. The Option Shares will (if applicable) be converted to an Ordinary Share, then the Option Shares will be subdivided into the relevant number of Ordinary Shares and will then be admitted to trading on the Official List.

Prior to Initial Admission, it is intended that the Existing Shares will be transferred into the ownership of Huntress (as defined above) pursuant to certain nominee arrangements between Huntress and the relevant shareholders. When the Option Shares (including those in relation to the Remaining Share Option) are issued prior to Final Admission, these will be issued directly to Huntress as nominee, such that at each Admission all applicable shares are in the ownership of Huntress.

3. Shareholder Authorities Passed

By resolutions passed on 8 May 2019, the shareholders of the Company resolved that:

- (i) the name of the Company be changed to "SandpiperCI Group Limited"; and
- (ii) the status of the Company be changed to a public company.

By resolutions passed on 29 May 2019, the shareholders of the Company resolved that:

- (i) the Existing Shares be subdivided into 83,566,365 Ordinary Shares;
- (ii) new articles of association of the Company be adopted;
- (iii) share rights are adopted for the holders of A and B Ordinary Shares in the capital of the Company, to be set out in a separate statement of rights to be filed at the Companies Registry in Jersey;
- (iv) subject to and conditional upon Admission taking place and the Option Shares being issued:
 - each A and B Ordinary Share held by a shareholder be combined and converted into 1

Ordinary Share; and

- all of the Ordinary Shares in issue, but excluding the Existing Shares, in the share capital of the Company be subdivided into 16,433,635 Ordinary Shares;
- (v) pursuant to Article 3 of the Articles, the directors are authorised to allot shares, and for that purpose, the Authorised Allotment Shares (as defined in the Articles) shall be an aggregate number of up to 20,000,000 ordinary shares. This authority shall, unless previously revoked or varied, expire at the conclusion of the Company's next Annual General Meeting (or, if earlier, at the close of business on the date which is 15 months after the date of the authority Resolution, being 29 August 2020), save that the directors may, before such expiry, make offers or agreements (whether or not conditional) within the terms of this authority which would or might require shares to be allotted or sold after such expiry, and the directors may allot or sell shares pursuant to such offers or agreements as if the authority conferred on them hereby had not expired; and
- (vi) subject to and conditionally upon the passing of the above resolution, the directors be empowered pursuant to Article 3.4 of the Articles to allot shares for cash as if Article 4 of the Articles (*Pre-emptive rights*) did not apply and for the purposes of Article 3.4.2 of the Articles, the Non Pre-emptive Shares (as defined in the Articles) shall be an aggregate number of up to 20,000,000 ordinary shares. This authority shall, unless previously revoked or varied, expire at the conclusion of the Company's next Annual General Meeting (or, if earlier, at the close of business on the date which is 15 months after the date of this Resolution, being 29 August 2020), save that the directors may before such expiry make offers or agreements (whether or not conditional) within the terms of this authority which would or might require shares to be allotted or sold after such expiry and the directors may allot or sell shares pursuant to such offers or agreements as if the authority conferred on them hereby had not expired;
- (vii) pursuant to Article 57 of the Companies Law:
- the proposed purchase by the Company (subject to the terms of the relevant Lock-In Agreements) of the shares in the capital of the Company which are subject to the relevant Lock-In Agreements from the relevant Lock-in Selling Shareholders for £0.0001 per share be sanctioned; and
 - the contract pursuant to which such proposed purchase is to be made, being the relevant Lock-In Agreements, be approved; and
- (viii) pursuant to Article 57 of the Companies Law, the Company is generally and unconditionally authorised to make market purchases of ordinary shares of the Company, provided that:
- the maximum number of ordinary shares hereby authorised to be purchased is 20,000,000 ordinary shares;
 - the minimum price (exclusive of expenses) which may be paid for each ordinary share is 1 penny; and
 - the maximum price (exclusive of expenses) which may be paid for each ordinary share is an amount equal to 105 per cent of the average of the middle market quotations of an ordinary share in the Company as derived from the Official List of The International Stock Exchange for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased;
 - the power granted expires at the conclusion of the next Annual General Meeting of the

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Company or 15 months from the date of the passing of this Resolution, being 29 August 2020 (whichever is earlier);

- a contract to purchase shares under this authority may be made prior to the expiry of this authority and concluded in whole or in part after the expiry of this authority; and
- pursuant to Article 58A of the Companies Law, the Company may hold as treasury shares any ordinary shares purchased pursuant to the authorities conferred in the above relevant resolutions.

4. Directors' Interests

Immediately following Final Admission, the interests of the Directors and the Associates (having the meaning defined in the TISEA Listing Rules) of each Director (as known to each Director having made all reasonable enquiries) insofar as is known to the Company in the equity securities of the Company or the Group will be, as follows:

	<i>On Final Admission</i> ³	
<i>Director</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Ordinary Share Capital</i>
Anthony O'Neill	6,318,100	6.32%
Antony van der Hoorn	40,000	0.04%
Stephen Harrison	666,667	0.67%
Thomas Scott ¹	14,725,522	14.73%
Jonathan Ravenscroft ²	350,000	0.35%

1 These shares are held by Sealyham Investments Limited, an investment company where Thomas Scott is a beneficial owner.

2 These shares are held by TEMK Investments Limited, an investment company where Jonathan Ravenscroft is a beneficial owner.

3 All the shareholdings detailed in this paragraph 4 are held by Huntress (CI) Nominees Limited as nominee.

Save as disclosed in this paragraph 4, no Director has any interest in the share capital or loan capital of the Company nor does any person connected with the Directors (within the meaning of Article 74ZA of the Law) have any such interests, whether beneficial or non-beneficial.

5. Major Shareholders

Save as disclosed in paragraph 4 above, and as set out below in this paragraph 5, the Company is not aware of any person who, at the date of this Document and immediately following Final Admission, is directly or indirectly interested in 3 per cent. or more of the issued share capital or voting rights of the Company:

	<i>On Final Admission</i>	
<i>Shareholder</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Ordinary Share Capital</i>
Bailliwick Investments Limited	29,992,776	29.99%

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Pula Investments Limited	15,375,705	15.38%
Noel Coburn	4,952,482	4.95%
Coburn & Associates Blossom Investments Limited	3,301,656	3.30%

Notes:

- (1) Assuming that the Selling Shareholders sell the maximum number of Ordinary Shares which they intend to sell.
- (2) Pula Investments Limited has a 27.32% shareholding in Ravenscroft Holdings Limited ("**RHL**"), which is the ultimate parent company of Ravenscroft. The beneficial owners of Pula Investments Limited are Mr Stephen Lansdown CBE and his wife. Mr Lansdown is the non-executive Chairman of RHL.
- (3) Noel Coburn has a 1.64% shareholding in RHL.
- (4) Noel Coburn has an indirect beneficial interest in Coburn & Associates Blossom Investments Limited.
- (5) All the shareholdings detailed in this paragraph 5 are held by Huntress (CI) Nominees Limited as nominee.

None of the Company's major holders of Ordinary Shares listed above or at paragraph 4 above has voting rights different from the other holders of Ordinary Shares.

Save as disclosed in this paragraph 5 and paragraph 11 of Part VI, and insofar as is known to the Company, the Directors are not aware of any person or persons who either alone or, if connected jointly following Final Admission, will (directly or indirectly) exercise or could exercise control over the Company.

Save as far as is known to the Directors, no arrangements are in place, the operation of which may at a later date result in a change of control of the Company.

6. Share Option Plans

As noted above at paragraph 2 of Part IV (*Summary of the Placing*) of this Document, at Admission the Remaining Share Option will continue to apply to certain shares in the capital of the Company. Following Initial Admission, but prior to Final Admission, the relevant shares pursuant to the Remaining Share Option will be issued to Huntress on an unpaid basis, and will be held by Huntress (and will remain under option) until such time as the Remaining Share Option is exercised (expected to be September 2019). Upon exercise of the Remaining Share Option, those shares will be transferred by Huntress to the relevant Optionholder (or their nominee), and the Optionholder will pay up the shares directly to the Company.

The Company intends to grant share options (the "**Share Options**"), including for certain key employees after Final Admission, and reserve some Share Options for grant at a subsequent date. It is intended that 50% of the Share Options granted to a person will be exercisable on the 3rd anniversary of the date of grant of the option. The remaining 50% of the Share Options granted to a person will be exercisable on the 5th anniversary of the date of grant of the option. The exercise price of the Share Options granted after Final Admission will be equal to the Ordinary Share price at the time of the Listing (£0.75 per Ordinary Share) plus a premium of 10% i.e. £0.825 per Ordinary Share. Where Share Options are granted at a later date, the exercise price will be equal to the Ordinary Share price on that later date, plus a premium of 10%.

The Share Options will not be transferrable. Only persons to whom the Share Options are granted, or their personal representatives, may acquire the beneficial interest in Ordinary Shares pursuant to the scheme.

The Board will exercise its discretion to select the individuals who will be granted the Share Options after

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Final Admission, and will have discretion to select persons to whom any further awards of Share Options will be granted.

The total number of Ordinary Shares over which Share Options will be granted will not exceed 10% of the entire issued share capital of the Company as at the date of Final Admission.

The Share Options will vest three years after the date of grant, or earlier at the discretion of the Board in the event of certain events such as a takeover of the Company. The Share Options will lapse after ten years.

7. Memorandum and Articles of Association - Summary

General

Under the Companies Law, the capacity of a Jersey company is not limited by anything contained in its memorandum or articles of association. Accordingly it is not necessary to include an objects clause in the memorandum of association of the Company or in its Articles.

Under the Companies Law and the Articles:

- (i) matters which require the approval of shareholders by ordinary resolution require to be passed by a simple majority of the shareholders who (being entitled to do so) vote in person, or by proxy, on such resolution at a general meeting of the Company; and
- (ii) matters which require the approval of shareholders by special resolution require to be passed by two-thirds of the shareholders who (being entitled to do so) vote in person, or by proxy, on such resolution at a general meeting of the Company.

Set forth below is a summary of certain material provisions of the Articles. This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the Articles and the relevant provisions of the Companies Law as in force on the date of this Listing Document. This summary does not constitute legal advice regarding those matters and should not be regarded as such. The full text of the Articles is available at the offices of the Company during regular business hours and on the Company's website.

Subject to the provisions of the Companies Law, the shareholders by special resolution may alter the Articles.

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

Share capital

Voting rights – Article 17 of the Articles

Subject to any rights or restrictions attached to any class of shares, from time to time on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative and is entitled to have a vote shall upon a show of hands have one vote and on a poll every member who is present in person or by proxy and entitled to vote shall have one vote for every share of which he is the holder.

Redemption – Article 2.3 of the Articles

Subject to the provisions of the Companies Law, the Company may issue shares, or existing non-redeemable limited shares whether issued or not may be converted into, limited shares which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder. The Board may

determine the terms, conditions and manner of redemption of shares provided that it does so before the shares are allotted or converted (as the case may be).

Allotment of shares – Article 3 of the Articles

Pursuant to the Articles, all unissued shares for the time being in the capital of the Company are at the disposal of the Board. However, because the Companies Law does not contain provisions requiring the directors to be authorised by shareholders to issue shares and with a view to providing shareholders with similar protections to those that would be available were the Company incorporated in the UK, the Articles require the Board to be authorised from time to time by ordinary resolution of the Company to issue shares and the Board's authority to issue such shares will be limited by the terms of any such ordinary resolution.

Subject to the foregoing, the Board may reclassify, allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of unissued shares (including any interests in such shares) on such terms and conditions and at such times as the Board thinks fit. The Board may also, without prejudice to any rights attaching to any existing shares or class of shares, issue any share with such rights or restrictions as the shareholders by ordinary resolution determine or, in the absence of such determination, as the Board determines. The Board may also issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the holder, or convert existing shares into such redeemable shares, as the Board may determine.

The Company may exercise all powers of paying or giving commissions, discounts or allowances conferred or permitted by the Companies Law. Subject to the provisions of the Companies Law, any such commissions, discounts or allowances may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or otherwise or any combination of the foregoing.

Purchase of shares and treasury shares - Article 2.4 of the Articles

Subject to the Companies Law, including the requirement that the shareholders approve the same by way of special resolution, the Company may purchase its own shares. Such shares may be held as treasury shares, which can subsequently be cancelled, sold, transferred or continued to be held by the Company. Pursuant to the Companies Law, shares held in treasury are subject to various restrictions, including that they may not be voted while held as treasury shares.

Commissions, etc. – Article 2.5 of the Articles

The Company, acting by its Board, may exercise all powers of paying or giving commissions, discounts or allowances conferred or permitted by the Companies Law, which can be satisfied in cash, by the allotment of fully or partly paid shares or otherwise.

Trusts not recognised – Article 2.6 of the Articles

Pursuant to the Companies Law and the Articles, no notice of a trust, express, implied or constructive, shall be receivable by the Company's registrar or entered on the register of members.

Uncertificated shares – Article 2.7 of the Articles

As Jersey law permits shares to be held in uncertificated form, the Articles provides that the Board may permit the holding of shares in any class of shares in uncertificated form through an appropriately authorised operator such as CREST. The Board may lay down regulations in respect of uncertificated shares, including as to their issue, holding and transfer. Shares are not treated for the purposes of the Articles as being in a separate class simply by virtue of their being uncertificated. The Articles provide various powers to the Board in respect of shares held in uncertificated form, including the power to require them to be changed into certificated form, for the purposes of enforcing any rights the Company

has under the Articles in respect of the disposal, forfeiture, surrender, enforcement of a lien over, or otherwise in respect of such shares.

Pre-emption rights – Article 4 of the Articles

If the Board proposes to issue shares for cash, shareholders will generally have pre-emption rights to those securities on a pro rata basis pursuant to the Articles. Pre-emption rights are transferable during the subscription period relating to a particular offering. The shareholders may, by way of special resolution, grant authority to the Board to allot shares for cash as if the pre-emption rights did not apply. Issues of shares for a consideration other than cash, or partly for cash and partly for another form of consideration, are not subject to such pre-emption rights.

The pre-emption rights under the Articles also do not apply with respect to any shares or options which may be allotted or granted in accordance with any employee share plans or to the issue of shares pursuant to the exercise of any such options.

Disclosure and Transparency Rules – Article 5 of the Articles

Pursuant to the Articles, the Company may send a notice to any person whom it knows or believes to be interested in its shares, requiring such person to confirm whether he has such an interest and, if so, details of that interest.

Under the Articles, if a shareholder fails to supply the information requested in the notice or provides information that is false in a material particular, the Board may serve a restriction notice on such person stating amongst other things that the shareholder may not attend or vote at any general meeting or class meeting in respect of some or all of his shares. In relation to more significant holdings (being holdings of at least 0.25% in number of the shares comprised in the relevant share capital) the Board has further enforcement powers, including the ability to withhold dividends and place restrictions on transfers of the shares.

Variation of rights – Article 6 of the Articles

Pursuant to the Articles, rights attached to any class of shares in the capital of the Company may be varied or abrogated either with the written consent of the holders of at least two thirds in nominal value of the issued shares of the class, or with the sanction of a special resolution passed at a separate class meeting of the class of shareholders affected.

Pursuant to the Companies Law and the Articles, the variation which reduces the liability of any class of shares to contribute to the share capital of the Company, or reduces the liability of any such class otherwise to pay money to the Company, or increases the benefits to which any such class is or may become entitled, comprises a variation of the rights attached to each other class of shares of the Company.

Share certificates – Article 7 of the Articles

Subject to certain limited exceptions, a Shareholder is entitled to receive a share certificate in respect of any shares held by that Shareholder in certificated form. A certificate sealed by the company, or signed either by two directors or on director and the secretary, specifying the shares held by a Shareholder, is prima facie evidence of the Shareholder's title to the shares.

Calls, lien and forfeiture – Articles 9 and 10 of the Articles

Where shares are allotted nil or partly paid, subject to the terms of allotment the Company may make a call at any time for some or all of the outstanding amounts due on that share. The Articles contain various

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provisions in respect of the making of such calls, and the consequences of not complying with a call, which can include the sale or forfeiture of the relevant share.

The Company has a first and paramount lien on every share (not being a fully paid share) for all moneys payable to the Company (whether presently or not) in respect of that share.

Restrictions on ownership of shares

There are no provisions in the Articles that restrict persons from holding shares or from exercising voting rights attaching to shares, due to their nationality or residency.

Transfers of shares – Article 11 of the Articles

A transfer of a certificated share must be in writing, either by the usual transfer form or in any other form which the Board approves. The transfer form must be signed by or on behalf of the person transferring the share and, unless the share is fully paid, by or on behalf of the person acquiring the share. The transfer form does not need to have a seal attached. If the certificated shares being transferred are only partly paid, the Board is entitled to refuse to register the transfer without giving any reason for the refusal as long as it does not prevent dealings in shares from taking place on an open and proper basis. The Board can also refuse to register the transfer of a certificated share if: (a) the transfer form is not lodged, properly stamped (if stamping is required), at the registered office (or any other place chosen by the Board) together with the appropriate share certificate for the shares being transferred and any other evidence of transfer that the Board reasonably asks for; (b) the transfer is for more than one class of shares; (c) the transfer is to more than four joint shareholders; or (d) sufficient information and evidence as the directors may reasonably require for the purpose of establishing the legal and beneficial owner of any of the shares is not provided following a request by the directors.

If the Board refuses to register a transfer of a share, it must notify the person to whom the shares were being transferred of this refusal. This notice must be sent out within two months of the date on which the transfer form was received by the Company (in the case of certificated shares). An instrument of transfer which the Board refuses to register shall be returned to the person lodging it when notice of the refusal is sent. If the transfer is of shares in CREST, the notice must be sent out within two months of the date on which the operator instruction was received by the Company. The Company cannot charge a Shareholder for registering a transfer form or other documents relating to his shares or affecting his title to a share.

Shareholder meetings – Article 14 of the Articles

Annual general meeting

The Company will hold an annual general meeting each year in accordance with the requirements of the Companies Law. The first annual general meeting will be held in 2019.

Other general meetings

The Board can call a general meeting whenever it decides to.

Shareholders who, at the time of deposit of such requisition, hold not less than one-tenth of the total voting rights of the shareholders of the Company who have the right to vote at the meeting requisitioned, can requisition the Company to convene a general meeting in accordance with the Companies Law.

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Location of meetings:

The Articles provide the Board with the power to convene a general meeting in more than one location.

The Board may also make arrangements for persons entitled to attend a general meeting to be able to view and hear the proceedings of the general meeting and to speak at the meeting by attending a venue, but any person attending such a venue will not be regarded as present at the general meeting.

Notice of general meetings – Article 15 of the Articles

Period of notice

At least 21 clear days' notice will be given of an annual general meeting, and at least 14 clear days' notice will be given of any other general meeting.

Entitlement to receive notice

Notice of a general meeting must be sent to all of the Company's shareholders (subject to certain exceptions for holders of partly-paid shares), the Board and the auditors. The notice calling a general meeting must specify the place, day, time and general nature of the business of the meeting. A notice calling an annual general meeting must state that the meeting is an annual general meeting.

Circulation of shareholder resolutions and statements

Shareholders of the Company may require the Company to circulate a notice of a resolution to shareholders. For this purpose, the shareholders must represent (i) at least five per cent of the total voting rights of all shareholders who have a right to vote on the relevant resolution, or (ii) not less than 100 in number who have a right to vote on such resolution and hold an average of at least £100, per Shareholder, of paid up shares in the Company.

Similarly, if so requested the Company shall also circulate to shareholders a statement of not more than 1,000 words with respect to a matter referred to in a proposed resolution to be dealt with at a particular meeting or other business to be dealt with at that meeting.

Proceedings at general meetings – Article 16 of the Articles

Quorum

A quorum for a general meeting is three qualifying persons (who in turn represent at least three shareholders). For these purposes, a "qualifying person" means (i) an individual who is a Shareholder, (ii) a person authorised under the Companies Law to act as a representative of a Shareholder which is a corporation, or (iii) a person appointed as proxy of a Shareholder.

If a quorum is not present within 30 minutes of the time set for the general meeting (or such longer time not exceeding one hour as the chairman of the meeting may determine), the meeting shall be adjourned to such later time and date as the chairman of the meeting may determine, unless the meeting was called at the request of the shareholders in which case it shall be dissolved. If the general meeting is adjourned for more than 30 days, the Board must give shareholders at least seven clear days' notice of the adjourned meeting.

Chairman

The chairman of the Board or in his absence the deputy chairman, or in his absence any other director nominated by the Board, shall preside as chairman of a general meeting.

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The Chairman is given various procedural powers pursuant to the Articles, including in respect of adjournments of general meetings.

Methods of voting – Articles 17 and 18 of the Articles

Any resolution at a general meeting will be put to a vote by show of hands or, if a poll has been demanded in accordance with the Articles, will be put to a poll vote.

Votes of shareholders

On a vote by show of hands, every Shareholder present in person or by proxy has one vote (although where a person acts as proxy for more than one Shareholder, such person has one vote for and one vote against the resolution if he has contrasting instructions from the shareholders for whom he acts as proxy).

On a poll vote, each Shareholder present in person or by proxy shall have one vote for every share of which he is the holder.

Pursuant to the Articles, shareholders may require the Board to obtain an independent report on any poll taken, on the terms set out in the Articles.

If at the time of any general meeting or class meeting, any moneys then payable by a Shareholder in respect of a nil or partly paid share held by the Shareholder have not been paid, he will not be entitled to vote that Share (either in person or by proxy) or exercise any other right attached to that Share at that general meeting.

Proxies and corporate representatives

A Shareholder may attend and/or vote at general meetings or class meetings in person or by proxy. The Articles contain provisions for the appointment of proxies, including electronic communication of appointments and cut off times for appointments prior to general meetings.

The Articles provide that a Shareholder will have until at least 48 hours before the meeting to deliver his proxy (although in calculating this period, days which are not working days can be ignored). The notice of general meeting will state the time by which any proxy must be delivered.

A proxy appointment entitles the proxy to exercise all or any of the appointing Shareholder's rights to attend and speak and vote at the general meeting in respect of the shares to which the proxy appointment relates.

A corporation may, by resolution of its directors or other governing body, authorise such persons as it thinks fit to act as its representative at any general meeting. Such persons are entitled to exercise on behalf of such corporation the same powers as such corporation could exercise if it were an individual Shareholder.

Directors – Articles 19 to 21 of the Articles

Number of directors

The Company must have at least three Directors on the Board (not counting alternate directors). There is no maximum number of directors.

Appointment and retirement of directors

A person will only be eligible for appointment as a director of the Board if: (a) he is a director who has retired by rotation; or (b) he is recommended by the Board; or (c) a shareholder who is entitled to vote at

the general meeting has given the Company a written notice at least seven days (but not more than 21 days) before the date for which the meeting is called of his intention to propose someone (other than himself) as a director. The notice must include all the details of that person which would be required to be included in the register of directors, and be accompanied by a written confirmation from the proposed director confirming his willingness to be appointed as a director.

Subject to the above, shareholders (by ordinary resolution) or the Board can appoint any person willing to be a director either to fill a vacancy or as an additional director. Where the appointment is made by the Board, the director must retire at the next general meeting and can then be put forward by the Board for reappointment by shareholders in accordance with the Articles.

At every annual general meeting, the Articles require that one third of the Directors on the Board must retire or, if the number of directors is not divisible by three, the number of directors nearest to one third shall retire from office. A director who retires at an annual general meeting may be re-appointed if he is willing to act as a director. The directors to retire by rotation will firstly be those directors who wish to retire without re-appointment, and secondly those who have served the longest as a director since their last appointment or re-appointment. If directors were last re-appointed directors on the same day, they can agree among themselves who is to retire. If they cannot agree, then they must draw lots to decide.

No Share qualification

Directors do not need to be shareholders in the Company.

Alternate directors

Any director may appoint any other director, or any other person approved by resolution of the Board, to be the alternate director of that director. An alternate director is entitled to attend and vote at meetings at which is appointing director is not personally present and generally to perform the functions of his appointor.

Powers of the Board

The Board is empowered to manage the business of the Company and to exercise all powers of the Company, save as otherwise directed by special resolution of shareholders and save for any powers which require shareholder approval under the Companies Law or the Articles.

Delegation of Board powers – Article 23 of the Articles

The Board is authorised to delegate any of its powers to any committee consisting of one or more directors. The Board may also delegate to any director holding executive office such of its powers as the Board considers desirable to be exercised by him. Any such delegation shall, unless otherwise provided, include the authority to sub-delegate to one or more directors or to any employee or agent of the Company or its group. The Board may co-opt onto any committee persons other than directors, who may enjoy voting rights in the committee, provided that such co-opted persons comprise less than one-half of the total membership of the committee and a resolution of any committee shall only be effective if a majority of the persons present are directors.

The Board may also establish local or divisional boards or agencies for managing any of the affairs of the Company.

The Board may also, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes, with such powers, authorities and discretions (not exceeding those vested in the Board) and on such conditions as the Board determines.

Borrowing powers of the Board – Article 24 of the Articles

The Board can exercise all the Company's powers relating to borrowing money, giving security over all or any of the Company's business and activities, property, assets (present and future) and uncalled capital, and issuing debentures and other securities. The borrowing powers of the Board can be varied by special resolution of the Company to amend the relevant provisions of the Articles.

Disqualification and removal of directors – Article 25 of the Articles

In certain circumstances a director may be disqualified from acting as a director in which case they cease to be a director. Those circumstances include where the director becomes bankrupt or is prohibited by law from acting as a director.

The shareholders by ordinary resolution may remove a director from office. Any such removal will be without prejudice to any claim the director may have for damages for breach of any agreement between the director and the Company.

Non-executive directors – Article 26 of the Articles

The Board is empowered to enter into, vary and terminate arrangements with any director who does not hold executive office for the provision of his services to the Company. Any rate of remuneration can be determined by the Board.

The ordinary remuneration of such non-executive directors shall not exceed in aggregate £1,500,000 per annum or such higher amount as the shareholders by ordinary resolution may determine from time to time.

The Board is empowered to pay additional remuneration to such non-executive directors for special services which in the opinion of the Board are outside the scope of the ordinary duties of such a director.

Directors' expenses – Article 27 of the Articles

Directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at board, committee and shareholder meetings or otherwise in connection with the discharge of their duties.

Executive directors – Article 28 of the Articles

The Board can appoint a director to any executive position (except that of auditor), on such terms and for such period as it thinks fit. The Board can also terminate or vary an executive appointment whenever it wishes and decide on any fee or other form of remuneration to be paid for such appointment. This fee or other remuneration may be as well as or instead of any fees payable as a director.

Directors' interests Article 29 of the Articles

Subject to the provisions of the Companies Law, as long as a director has disclosed the nature and extent of his interest to the Board, a director can: (a) be a party to, or otherwise have an interest in, any transaction or arrangement with the Company or in which the Company has a direct or indirect interest; (b) act by himself or through his firm in a paid professional role for the Company (other than as auditor); and (c) be a director, officer or employee of or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company has any interest whether direct or indirect. A director who has, and is permitted to have, any interest referred to in the above paragraph can keep any remuneration or other benefit which he derives as a result of having that interest as if he were not a director. Any disclosure may be made at a meeting of the Board, by notice in writing or by general notice or otherwise in accordance with the Companies Law.

The Board may authorise directors' actual and potential conflicts of interests, provided that any director concerned does not vote or count towards the quorum at the meeting where the matter is considered. Where a director's relationship with another person has been authorised and such relationship gives rise to an actual or potential conflict of interest, the director will not be in breach of the general duties he owes to the Company if he absents himself from meetings, or makes arrangements not to receive documents and information, relating to the actual or potential conflict of interest for so long as he reasonably believes that the same subsists.

Proceedings of the Board – Article 31 of the Articles

The Articles contain various provisions as to proceedings of the Board, including as to notice and quorum requirements.

Dividends – Article 36 of the Articles

Subject to the provisions of the Companies Law, shareholders may by ordinary resolution declare any dividend, but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of the Companies Law, the Board may pay interim dividends if it appears to the Board that it is justified by the performance of the Company.

If the share capital is divided into different classes and shareholders with preferential dividend rights suffer as a result of an interim dividend being paid to other shareholders, the Board will not be liable for the loss if it acted in good faith.

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during the whole period in respect of which the dividend is paid.

The Company does not have to pay interest on any dividend or other money due to a shareholder in respect of his shares, unless the rights of the share state otherwise.

If a dividend or other money payable in respect of a share remains unclaimed for 12 years from the date it was declared or became due for payment, the Board can pass a resolution to forfeit the payment and the shareholder will lose the right to the dividend.

If recommended by the Board, shareholders can pass an ordinary resolution to direct that a dividend will be satisfied in whole or in part by distributing assets instead of cash. This includes, amongst other things, paid up shares or debentures of another company.

The Board can make any arrangements it wishes to settle any difficulties which may arise in connection with the distribution, including for example (a) the valuation of the assets, or (b) the payment of cash to any shareholder on the basis of that value in order to adjust the rights of shareholders, and (c) the transfer of any asset to a trustee.

The Board may, if authorised by ordinary resolution, offer shareholders the right to elect to receive shares by way of scrip dividend (which are credited as fully paid) instead of cash in respect of some or all of their dividend.

Capitalisation of profits – Article 37 of the Articles

If authorised by ordinary resolution of the shareholders, the Board can pass a resolution to capitalise any undistributed profits (unless required for paying a preferential dividend) or other sum in any reserve or fund which may be applied for such purposes. The amount capitalised must be distributed to the

shareholders or holders of shares of any class on the record date as if it were distributed by way of dividend.

Accounts – Article 39 of the Articles

Shareholders will be entitled to receive a copy of the annual accounts of the Company in accordance with the Companies Law and the Articles. Otherwise, shareholders do not have the right to inspect any accounting records or other books or documents of the Company except as conferred by law or authorised by the Board or by ordinary resolution of the shareholders or order of a court of competent jurisdiction.

Restrictions on political donations – Article 40 of the Articles

The Company may not make a political donation to a political party or other political organisation, or to an independent election candidate, or incur any political expenditure, unless such donation or expenditure is authorised by an ordinary resolution in accordance with the Articles and is passed before the donation is made or the expenditure incurred.

Communications – Article 41 of the Articles

The Articles contain various provisions dealing with the method of communications between the Company and shareholders. These provisions include the ability to communicate electronically and/or via the Company's website, in accordance with the provisions of the Articles.

Shareholders whose address on the register of members is outside the EEA State, Jersey or Guernsey (each a "**Relevant Territory**") are not entitled to receive documents or information from the Company unless they give an address within the Relevant Territory to which such documents or information may be sent.

Untraced shareholders – Article 43 of the Articles

The Company is authorised to sell, at the best price reasonably obtainable, the shares of any shareholder if at least three dividends in respect of such shares have remained uncashed and the Company has given notice in a national daily newspaper and in a newspaper circulating in the area of the last known address of such shareholder giving notice of the intention to sell.

Winding up – Article 44 of the Articles

If the Company is wound up, the liquidator can, with the approval of a special resolution passed by the shareholders and any other sanction required by the Companies Law, divide some or all of the Company's assets among the shareholders. The liquidator may determine the value of such assets and how they are to be divided between the shareholders.

Indemnity of officers – Article 45 of the Articles

Subject to the restrictions set out in the Companies Law relating to the indemnification of officers, the Company will indemnify every director or other officer of the Company out of the assets of the Company against any liability incurred by him for negligence, default, breach of duty, breach of trust or otherwise in relation to the affairs of the Company. This provision does not affect any indemnity which a director or officer is otherwise entitled

8. Information on the Directors and others

The names, dates of appointment, nationality and functions of the Directors are as follows:

Name	Date of Appointment	Nationality	Function
Anthony Timothy John O'Neill	4 June 2007	British	Chief Executive Officer
Antony John van der Hoorn	30 April 2019	British and New Zealand	Chief Financial Officer
Jonathan Richard Ravenscroft	31 December 2017	British	Non-Executive Director
Thomas Richard Scott	19 February 2016	British	Non-Executive Director
Stephen John Armitage Harrison	20 December 2007	British	Non-Executive Director
Fintan Michael Kennedy	19 February 2016	Irish	Alternate Director to Thomas Richard Scott

The business address of each of the directors is 1-2 L'Avenue le Bas, St Saviour, Jersey, JE4 8NB.

Save as disclosed elsewhere in this Listing Document, none of the Directors:

- has any unspent convictions in relation to indictable offences;
- has been made bankrupt or has made an individual voluntary arrangement with creditors or suffered the appointment of a receiver over any of his assets;
- has been a director of any company which, whilst he was such a director or within 12 months after his ceasing to be such a director, was put into receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with the company's creditors generally or with any class of creditors of any company or had an administrator or an administrative or other receiver appointed;
- has been a partner in any partnership which, whilst he was a partner, or within 12 months after his ceasing to be a partner, was put into compulsory liquidation or had an administrator or an administrative or other receiver appointed or entered into any partnership voluntary arrangement;
- has had an administrative or other receiver appointed in respect of any asset belonging either to him or to a partnership of which he was a partner at the time of such appointment or within the 12 months preceding such appointment; or has received any public criticisms by statutory or regulatory authorities (including recognised professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

9. Directors' disclosures and other interests

Jon Ravenscroft is the Group Chief Executive Officer of, and has an 11.84% beneficial interest in, Ravenscroft, which is a consultant to the Company. Ravenscroft is also the investment manager of Bailiwick Investments Limited ("BIL"), which held 36.37% of the Company's share capital immediately

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prior to Initial Admission. Ravenscroft is also the Listing Sponsor and Placing Agent, and has been appointed as Market Maker to the Company, subject to and effective on Admission.

Tom Scott is a director and one of the ultimate beneficial owners of Sealyham Investments Limited, a significant investor in the Company. Tom is the ultimate beneficial owner of certain companies that act as landlords of certain Sandpiper properties set out opposite their name in the table below:

Property	Landlord company
M&S, King Street, St Helier	Lentar and Lagrat Property Limited
M&S, St Clement	St Clement Holdings Limited
M&S, St John	LDM Properties (St John) Limited
M&S, St Peter	Maltster House Limited

Tom Scott was also a director of Vizuality Jersey Limited (Jersey company number 119988) from 28 September 2016 until it was put into liquidation by its creditors on 22 December 2016.

Stephen Harrison was a director of Leeds United plc and Leeds United Holdings Limited until 30 April 2003. On 19 March 2004, Joint Administrators were appointed to both companies at the time of the sale of Leeds United AFC Limited to a consortium of investors. The conduct of the directors of both companies in administration was investigated by The Insolvency Service, as a result of which no action was taken against any of the directors.

Other conflicts of interest are detailed in Part V.

10. Service agreements and remuneration of the Directors

The Company has entered into the following service agreements:

Anthony O'Neill: the Company entered into a service agreement with Tony in 2007. This agreement is subject to termination upon not less than 12 months' notice by either party, and the Company reserves the right to pay money in lieu of notice. The Company may also terminate the agreement immediately provided they make payment in lieu of such notice. The agreement includes typical provisions which apply on termination such as the right to require him to work his notice period on garden leave, to resign as a Director on termination of his employment and restrictions applicable following the termination on his employment including restrictions against working for a competitive business for a period of 12 months following the termination of his employment.

Antony van der Hoorn: the Company entered into a contract of employment with Tony in 2019. Following a short probationary period, this agreement is subject to termination upon not less than 12 months' notice by either party and the Company reserves the right to pay money in lieu of notice. The agreement includes typical provisions which apply on termination such as the right to require him to work his notice period on garden leave and restrictions applicable following the termination on his employment including restrictions against soliciting employees of the company for a period of 12 months following the termination of his employment and soliciting customers of the company for a period of 6 months.

Each of the Non-Executive Directors have entered into a letter of appointment with the Company. Under the respective letters of appointment, the appointments are for an indefinite period unless or until

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terminated by such director giving not less than three months' prior written notice. In addition, the appointments may be terminated by the Company immediately in certain circumstances (e.g. if the Non-Executive Director is removed as a director by the Company's Shareholders).

The aggregate of remuneration paid to the Directors of the Company, past and present in respect of the financial year ended 26 January 2019 was £1.0m. The estimated aggregate remuneration payable to past, present and future Directors of the Company in respect of the current financial year ending 25 January 2020 is £1.0m

There is no arrangement under which any Director has waived or agreed to waive future emoluments.

11. Takeovers - the Takeover Code

As a company incorporated in Jersey whose Ordinary Shares will be admitted to trading on TISE, the Takeover Code applies to the Company. Under Rule 9 of the Takeover Code ("**Rule 9**"), any person who acquires an interest in shares (as defined in the Takeover Code), whether by a series of transactions over a period of time or not, which (taken together with any interest in shares held or acquired by persons acting in concert (as defined in the Takeover Code) with him) in aggregate, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, that person is normally required by the Takeover Panel to make a general offer to all of the remaining shareholders to acquire their shares. Similarly, 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 of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interests in shares are acquired by any such person which increases the percentage of shares carrying voting rights in which he is interested.

An offer under Rule 9 must be in cash or be accompanied by a cash alternative and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the 12 months prior to the announcement of the offer. Rule 9 is subject to a number of dispensations.

Under the Takeover Code, a concert party arises where persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. "**Control**" means holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control. A person and each of its affiliated persons will be deemed to be acting in concert with each other.

Bailiwick Investments Limited, its Chairman Sir Geoffrey Rowland QC and its director John Henwood MBE (together the "**Concert Party**") are deemed to be acting in concert for the purposes of the Takeover Code. Following Admission, the Concert Party will own in aggregate 30,526,110 Ordinary Shares representing 30.53% of the Company's issued share capital.

If the Concert Party were to increase the percentage of the aggregate voting rights in which it is interested, it would be obliged, except with the consent of the Takeover Panel, to make a mandatory offer as referred to above.

There are not in existence any current mandatory takeover bids in relation to the Company.

12. Subsidiaries

The Company is the parent company of the Group and as at the date of this Listing Document, the Company has the following direct and indirect subsidiaries,

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Company Name	Type of Shares	Percent Held directly or indirectly (%)	Country of Operation and Incorporation	Date of Incorporation
18 Queen Street Limited	Ordinary	100	Jersey	11/04/2003
Bath Street Stores Limited	Ordinary	100	Jersey	04/09/1997
Bedford CIT Limited	Ordinary	100	UK	08/09/2005
BKF Holdings (Guernsey) Limited	Ordinary	100	Guernsey	20/12/2002
Brighton Properties (Jersey) Limited	Ordinary	100	Jersey	25/10/1985
Citriche Limited	Ordinary	100	Jersey	04/09/1897
Drury Limited	Ordinary	100	Guernsey	05/09/2005
IQ Music and Computer Solutions Limited	Ordinary	100	Jersey	17/05/2006
Landes Du Marche (Jersey) Limited	Ordinary	100	Jersey	21/07/1966
Laura Ashley Jersey Limited	Ordinary	100	Jersey	02/06/2010
Liberty Wharf 2 Limited	Ordinary	100	Jersey	20/07/2005
LDM Properties (Guernsey) Limited	Ordinary	100	Guernsey	25/08/1998
New Island Wide Limited	Ordinary	100	Guernsey	14/04/1983
New Island Wide (Properties) Limited	Ordinary	100	Guernsey	14/04/1983
Parade Stores (1998) Limited	Ordinary	100	Jersey	30/10/1998
Perelle (2003) Limited	Ordinary	100	Guernsey	14/10/2003
Roseville Street Stores Limited	Ordinary	100	Jersey	06/11/1995
Sandpiper (Gibraltar) Holdings Limited	Ordinary	100	Gibraltar	02/04/2014
Sandpiper Guarantee Co 1 Limited	Ordinary	100	Jersey	20/07/2007
Sandpiper Food Franchises Limited	Ordinary	100	Jersey	20/07/2007
Sandpiper Iberia SL	Ordinary	100	Spain	09/01/2013
Sandpiper Land Limited	Ordinary	100	Jersey	15/07/2010
Sandpiper Propertyco 3 Limited	Ordinary	100	Jersey	24/07/2007

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Sandpiper Propertyco 4 Limited	Ordinary	100	Jersey	24/07/2007
Sandpiper Propertyco 5 Limited	Ordinary	100	Jersey	24/07/2007
Sandpiper Propertyco 6 Limited	Ordinary	100	Jersey	24/07/2007
Sandpiper Midco Limited	Ordinary	100	Jersey	04/06/2007
SandpiperCI Limited	Ordinary	100	Jersey	04/06/2007
SandpiperCI Retail Limited	Ordinary	100	Jersey	07/06/2002
Spar (Channel Islands) Limited	Ordinary	100	Jersey	28/10/1992
Sparrow Properties Limited	Ordinary	100	Jersey	16/07/1992
Trinco Limited	Ordinary	100	Guernsey	19/10/1978
Trinity Stores Limited	Ordinary	100	Jersey	04/08/1997

13. Principal establishments and leasing arrangements

The Company's head office and principal place of business is at 1-2 L'Avenue le Bas, St Saviour, Jersey, JE4 8NB.

These premises are indirectly owned by the Company, along with the freehold properties listed in Part I Section 10: Freehold Property Estate. The Company leases all other premises from which it operates. One leasehold property accounts for more than 10% of the turnover of the Company – the Marks and Spencer store in King Street Jersey. The store is approximately 33k square feet in size. The current lease expires on 2 August 2031.

14. Pensions

The Company is the "Principal Employer" in respect of the following pension schemes:

- SandpiperCI Limited Money Purchase Pension Scheme (open scheme);
- Ann Street Group Limited 1980 Staff Pension and Life Assurance Scheme (closed scheme);
- Bass (Channel Islands) Employees' Security Plan (closed scheme)
- Bucktrout & Co Limited Pension and Life Assurance Fund (closed scheme)

The three closed schemes above were acquired by the Group as part of the deal to buy the former CI Traders Business in 2008. In doing so the Company became "Principal Employer" to all three schemes but, in reality, the schemes were already closed at that time with zero active members.

The SandpiperCI Limited Money Purchase Pension Scheme is a defined contribution arrangement and it remains open to existing and new members.

Summary details of each of the above schemes are as follows:

Date: 29 May 2019

SandpiperCI Limited Money Purchase Pension Scheme (open)

The scheme was originally established with effect from 28 March 1995 under the Trust Deed & Rules of Le Riches Stores Limited. The scheme was amended by a supplemental deed dated 15 October 2008 which amended the scheme name to SandpiperCI Limited Money Purchase Pension Scheme. The latest deed in relation to this scheme was executed on 16 November 2012.

BWCI Pension Trustees Limited were appointed as sole corporate trustee with effect from 26 March 2010.

Membership as at 31 December was 74 active members currently accruing benefits and 94 deferred members. As this is a defined contribution arrangement there are no pensioners.

The main investments held in respect of the scheme are managed across a range of 5 professionally managed funds run by Legal & General Investment Management (LGIM) on a passive mandate. The primary investment strategy is to achieve capital growth with funds invested according to individual member choice or via the agreed lifestyle strategy. Four further execution only holdings are held in respect of one member.

The scheme's accounts are audited annually by BDO Limited.

Ann Street Group Limited 1980 Staff Pension and Life Assurance Scheme (closed)

This is an insured pension arrangement with Aviva, closed to new entrants since 2006. The scheme has been approved under Article 131 of the Income Tax (Jersey) Law, 1961.

Membership as at 31 December was 39 deferred members and 83 pensioners.

The majority of the pensioners are paid by an annuity secured in the trustees' name from Aviva but a small number of historic cases are paid directly from the scheme assets.

The triennial actuarial valuation as at 1 January 2017 showed a funding level of 110% in the scheme. The assets of the scheme were £5,203,000 as at 1 January 2017.

Bass (Channel Islands) Employees' Security Plan (closed)

The plan was established with effect from 1 May 1965 and benefits were secured under a policy with Guardian Assurance plc. The provisions of the plan were revised and replaced with effect from 1 September 1989 by a Definitive Trust Instrument dated 24 October 1990.

The plan has been approved under Article 131 of the Income Tax (Jersey) Law, 1961.

BWCI Pension Trustees Limited were appointed as sole corporate trustee with effect from 30 November 2010.

Membership as at 31 December was 8 deferred members and 11 pensioners.

The triennial actuarial valuation as at 1 April 2017 showed a funding level of 54% in the plan. The assets of the scheme were £1,108,000 as at 1 April 2017.

Sandpiper has paid an annual lump sum contribution amount of £100,000 for the past six years to address the funding position, and has agreed to continue doing so until 2026. At the valuation date 8 payments were outstanding.

The plan's accounts are audited annually by BDO Limited.

Date: 29 May 2019

Bucktrout & Co Limited Pension and Life Assurance Fund (closed)

The fund was established with effect from 1 January 1969 by an Interim Trust Deed dated 17 December 1968.

The fund has been approved under Section 150 of the Income Tax (Guernsey) Law, 1975 and the Income Tax (Retirement Benefit Schemes) Act 1978 of the Isle of Man.

BWCI Pension Trustees were appointed sole corporate trustee with effect from 12 May 2011. Membership as at 31 December was 6 deferred members and 47 pensioners.

The triennial actuarial valuation as at 1 January 2017 showed a funding level of 87.3% in the fund. The trustee and Sandpiper are in discussions on this matter. The assets of the scheme were £8,253,000 as at 1 January 2017.

The fund's accounts are audited annually by BDO Limited.

15. Arrangements relating to the Placing and the Lock-ins

The Placing Agreement

A placing agreement dated 29 May 2019 between the Company, Ravenscroft and the Selling Shareholders pursuant to which conditional upon, inter alia, Admission taking place not later than 8 am on 31 May 2019 (or such later time and/or such date as Ravenscroft and the Company may agree, not being later than 30 June 2019), Ravenscroft has agreed to use reasonable endeavours, as agent for the Selling Shareholders, to procure purchasers for the Sale Shares at the Placing Price. In addition, Ravenscroft has agreed to provide reasonable assistance to the Company in connection with its application for Admission.

The Placing Agreement contains warranties from the Company and Selling Shareholders in favour of Ravenscroft in terms which are customary for an agreement of this nature.

Under the terms of the Placing Agreement, Ravenscroft can invoke termination rights in certain circumstances including where any warranties are found to be untrue or inaccurate in any material respect. Under the Placing Agreement the Company, in the case of the Sale Shares has agreed to pay a commission of 4 per cent. of the value of the relevant Sale Shares at the Placing Price. The Company and the Selling Shareholders have also provided an indemnity to Ravenscroft in terms which are customary for an agreement of this nature.

Lock-In Arrangements

The Executive Directors as at Admission, namely Anthony O'Neill and Antony van der Hoorn, have agreed to be subject to the following sale restrictions in respect of their Ordinary Shares:

- for a period of one year following Final Admission (the "**Lock-in Period**") they will not directly or indirectly transfer the legal and/or beneficial ownership (or any interest therein) in any of their Ordinary Shares owned by him or such a connected person immediately after Final Admission or any Ordinary Shares which may accrue to him or such a connected person as a result of his or their holding of such Ordinary Shares; and
- following the Lock-in Period, they will not for one year after the expiry of the Lock-in Period, directly or indirectly transfer the legal and/or beneficial ownership (or any interest therein) in any Ordinary Shares except through the Market Maker and in accordance with the reasonable requirements of the Market Maker so as to ensure an orderly market for the issued share capital of the Company.

Date: 29 May 2019

Certain of the Selling Shareholders (the "**Lock-in Selling Shareholders**"), have also agreed to be subject to certain sale restrictions, as follows:

- for a period of 12 months following the date of exercise of his option (i.e. immediately prior to Final Admission), Stephen Harrison shall not sell or otherwise dispose of 50% of the "remainder" of the shares acquired upon exercise of his option; and
- for a period of 24 months following the date of exercise of their respective option (i.e. immediately prior to Final Admission), Clair Sequeira, Neil Walker, Stephen Forrester, David Leigh and Nick Henderson shall not sell or otherwise dispose of 50% of the "remainder" of the shares acquired upon exercise of their respective option.

For the purposes of the above, the "**remainder**" shall mean the number of shares that remain after selling for cash such number of Ordinary Shares as is sufficient to enable the relevant Optionholder (after deduction of costs and expenses of sale) to recover the cost of the aggregate exercise price paid and any income tax and (employee and employer) National Insurance Contributions due as a consequence of such exercise of their respective option.

The above lock-in arrangements have been documented by lock-in agreements dated on or around 29 May 2019, which have been entered into by each Executive Director and each Lock-in Selling Shareholder with (1) the Company; and (2) Ravenscroft (as Placing Agent) in the terms set out above.

16. Termination of Shareholders Agreement

The amended and restated shareholders agreement dated 2 September 2016 in relation to the Company and its subsidiaries and entered into amongst Bailiwick Investments Limited, Sealyham Investments Limited, Pula Investments Limited, Noel Coburn, Coburn & Associates Blossom Investments Limited, Anthony O'Neill, Stephen Harrison, the Company, Sandpiper Midco Limited and SandpiperCI Limited has been terminated by the parties pursuant to a termination agreement dated 29 May 2019.

17. Taxation

The information below, which relates only to Jersey, Guernsey and UK taxation, is for general information purposes only and is a summary of the advice received by the Board from the Company's advisers so far as applicable to the Company and to persons who are tax resident in Jersey, Guernsey or the UK for taxation purposes and who hold Shares as an investment. It is not intended to be a comprehensive summary of all technical aspects of the structure, or tax law and practice in Jersey, Guernsey and the UK. It is not intended to constitute legal or tax advice to Shareholders.

The information below is based on current Jersey, Guernsey and UK tax law and published practice which is, in principle, subject to any change (potentially with retrospective effect). Certain Shareholders, such as dealers in securities, traders, brokers, bankers, tax exempt entities, trusts, persons connected with the Company, collective investment schemes, insurance companies and persons acquiring their Shares in connection with their (or another person's) office or employment may be taxed differently and are not considered below. The tax consequences for each Shareholder of investing in the Company may depend on the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject.

If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

Jersey taxation

The following summary of the anticipated treatment of the Company and holders of Ordinary Shares (other than residents of Jersey) is based on Jersey taxation law and practice as they are understood to

apply at the date of this document and is subject to changes in such taxation law and practice. It does not constitute legal or tax advice and does not address all aspects of Jersey tax law and practice (including such tax law and practice as they apply to any land or building situate in Jersey). Prospective investors in the Ordinary Shares should consult their professional advisers on the implications of acquiring, buying, selling or otherwise disposing of Ordinary Shares in the Company under the laws of any jurisdiction in which they may be liable to taxation.

The Company

The Board intends to conduct the Company's affairs such that it is only centrally managed and controlled in Jersey and therefore solely tax resident in Jersey. On that basis, under Article 123C of the Income Tax (Jersey) Law 1961 (the "**Income Tax Law**"), the Company (being neither a financial services company, nor a large corporate retailer, nor a utility company as defined in the Income Tax Law as at the date of this Listing Document) will (except as noted below) be regarded as subject to Jersey income tax at a rate of zero per cent.

The Company will be liable to Jersey income tax at a rate of 20 per cent to the extent it has profits or gains arising from interests in Jersey land and buildings, the exploitation of stone, minerals etc. in Jersey, or the importation or supply of hydrocarbon oil in Jersey. It is not expected that the Company will derive any profits or gains from any such interests / activities.

The Channels Islands retail operating subsidiaries of the Company are expected to be liable to Jersey and Guernsey income tax at a rate of 20 per cent.

Economic substance

Jersey has introduced economic substance legislation, which came into effect on 1 January 2019. This legislation was introduced to provide a framework for determining whether the profits made by a Jersey tax resident company, which undertakes certain relevant activities, can be supported by the necessary economic substance in Jersey.

The Board intends to conduct the Company's affairs to ensure compliance with the Taxation (Companies – Economic Substance) (Jersey) Law 2019, as applicable.

Distributions

Distributions may be paid by the Company without withholding or deduction for or on account of Jersey income tax.

Non-Jersey resident Shareholders are not subject to Jersey income tax in respect of distributions paid by the Company to the extent that such distributions were made out of profits or gains charged on the Company at the rate of zero per cent.

Acquisition and disposal

Shareholders tax resident outside of Jersey will not be subject to any taxation in Jersey in respect of, or in connection with the acquisition or disposal of any Shares owned by them.

Jersey Shareholders

Shareholders who are tax resident in Jersey will be liable to Jersey income tax on any distributions paid to them in relation to Shares held in the Company, where the distribution is made out of profits that have suffered Jersey income tax at a rate of zero per cent.

Where a distribution is made by the Company to Jersey tax resident Shareholders out of profits which have been subject to Jersey income tax at a rate exceeding zero per cent, the Shareholder will be liable to Jersey income tax on the gross amount of the distribution but should, by concession, be entitled to a tax credit for the Jersey income tax suffered. This is in accordance with the Jersey Taxes Office's publication 'Distribution Rules Taxes Office Guidance Notes Draft 2: Released 11 February 2013', which states that:

Where a shareholder is subject to tax on a distribution from a Jersey resident company (Hold Co) under Schedule DIII and it can be demonstrated to the satisfaction of the Comptroller that the profits which are being distributed by Hold Co at that time are in effect profits which have:

- (a) been subject to Jersey income tax at a rate exceeding 0% in another Jersey resident company; and*
- (b) previously been distributed to Hold Co and Hold Co was subject to Jersey tax on that distribution;*

the shareholder will be entitled to a tax credit calculated by reference to the Jersey tax suffered by the other Jersey resident company.

Under the distribution rules detailed within the Law, (tax-adjusted) profits that have suffered Jersey income tax at zero per cent are always deemed to be distributed in advance of any other company profits or gains.

Disposals

Gains on the disposal of Ordinary Shares by Jersey resident shareholders will not be liable to Jersey income tax unless the shareholder is considered to be trading in shares.

Goods and Services Tax

Jersey applies a goods and services tax ("**GST**") on goods and services supplied in the Island. The current GST rate is 5 per cent.

The Board intends to conduct the Company's affairs to ensure compliance with the Goods and Services Tax (Jersey) Law 2007.

Stamp duty

In Jersey, no stamp duty is levied on the issue or transfer of the Ordinary Shares except that stamp duty is payable on Jersey grants of probate and letters of administration, which will generally be required to transfer Ordinary Shares on the death of a holder of such Ordinary Shares.

In the case of a grant of probate or letters of administration, stamp duty is levied according to the size of the estate (wherever situated in respect of a holder of Ordinary Shares domiciled in Jersey, or situated in Jersey in respect of a holder of Ordinary Shares domiciled outside Jersey) and is payable on a sliding scale at a rate of up to 0.75 per cent on the value of an estate with a maximum value of £13,360,000 (i.e. a maximum liability of £100,000). The rules for joint holders and holdings through a nominee are different and advice relating to this form of holding should be obtained from a professional adviser.

Jersey does not otherwise levy taxes upon capital, inheritances, capital gains or gifts nor are there otherwise estate duties.

Tax Information Reporting Agreements

Jersey has signed an inter-governmental agreement to improve international tax compliance and the exchange of information with the US (the "**US-Jersey IGA**"). Jersey has also signed, along with over 80 other countries, a multilateral competent authority agreement to implement the OECD Standard for

Automatic Exchange of Financial Account Information ("**AEOI**") – Common Reporting Standard (the "**CRS**") (CRS together with the US –Jersey IGA, the "**AEOI Regulations**").

The Taxation (Implementation) (International Tax Compliance) (Common Reporting Standard) (Jersey) Regulations 2015 came into force on 1 January 2016. The Jersey government has issued guidance notes that makes reference to the guidance issued by the OECD. There are also separate guidance notes in respect of the US-Jersey IGA.

The Board do not anticipate that the Company will fall within the definition of a 'Financial Institution' for these purposes and, consequently, no adverse tax consequences or filing obligations should arise.

By investing in the Company and/ or continuing to invest in the Company, holders of Ordinary Shares shall be deemed to acknowledge that further information may need to be provided to the Directors of the Company, and that the Company's compliance with the AEOI Regulations may result in the disclosure of investor information, and investor information may be exchanged with overseas fiscal authorities. Where a holder of shares fails to provide any requested information (regardless of the consequences), the Company reserves the right to take any action and/ or pursue all remedies at its disposal including, without limitation, compulsory redemption or withdrawal of the Ordinary Shares from the shareholder.

Guernsey taxation

Guernsey Shareholders

Shareholders who are tax resident in Guernsey, Alderney or Herm are liable to Guernsey income tax on any distributions paid to them in respect of Ordinary Shares held in the Company.

Under current Guernsey tax legislation, there is no mechanism for Guernsey tax residents holding Shares in the Company to access any underlying tax credits in respect of Jersey or Guernsey tax suffered at a rate of greater than zero per cent by any of the Company's retail operating subsidiaries.

Disposals

Gains on the disposal of shares in the Company by Guernsey tax resident shareholders will not be liable to Guernsey income tax unless the shareholder is considered to be trading in shares.

UK taxation

UK resident individual Shareholders

With effect from 6 April 2018, UK resident individuals are entitled to a £2,000 annual tax free dividend allowance. Dividends received in excess of this threshold will be subject to UK income tax, for the tax year 2018-19, at 7.5 per cent (basic rate taxpayers), 32.5 per cent (higher rate taxpayers) and 38.1 per cent (additional rate taxpayers).

Shareholders within the charge to UK corporation tax

Shareholders within the charge to UK corporation tax are generally expected to be exempt from UK corporation tax on dividends received. However, there are various exceptions to this exemption, depending on the size of the shareholder and whether certain anti-avoidance provisions apply. Therefore, Shareholders within the charge to UK corporation tax should confirm their tax position with their own professional tax adviser.

Disposals

Date: 29 May 2019

A disposal of Ordinary Shares by a Shareholder who is resident in the UK for tax purposes may, depending on the Shareholder's circumstances, and subject to any available exemption or relief, give rise to a chargeable gain (or allowable loss) for the purposes of the UK taxation of chargeable gains.

UK resident individuals may be subject to UK capital gains tax on any chargeable gains realised but are, for each tax year, entitled to an exemption from UK capital gains tax for a specified amount of gains realised in that tax year. No indexation allowance will be available to individual Shareholders.

Shareholders within the charge to UK corporation tax may be subject to UK corporation tax on any chargeable gains made on disposal or deemed disposal of the Ordinary Shares. No indexation allowance will be available to Shareholders within the scope of UK corporation tax.

UK Anti-Avoidance

The attention of individuals resident in the UK for taxation purposes is drawn to Chapter 2, Part 13 of the Income Tax Act 2007, which may render them liable to income tax in respect of the undistributed income of the Company.

The attention of persons resident in the UK for taxation purposes is also drawn to the provisions of section 13 Taxation of Chargeable Gains Act 1992 under which, in certain circumstances, a portion of chargeable gains made by a non-UK resident company can be attributed to UK resident participators to whom more than one quarter of any gain made by the company would be attributable. This applies if the non-UK resident company is a close company for the purposes of UK taxation.

Any person who is in any doubt as to his or her tax position, or who is subject to taxation in any jurisdiction other than that of Jersey, Guernsey or the UK, should consult his or her professional advisers immediately.

18. Material contracts

Material Contracts

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the date of publication of this Listing Document and which are, or may be, material to the Group or have been entered into by any member of the Group at any time and contain a provision under which any member of the Group has any obligation or entitlement which is material to the Group at the date of this Listing Document:

- the Placing Agreement, as described more fully in paragraph 15 above;
- the termination agreement in respect of the amended and restated shareholders agreement in relation to the Company and its subsidiaries dated 29 May 2019, as described more fully in paragraph 16 above; and
- the lock-in agreements, as described more fully in paragraph 15 above.

Inspection of documents

The following documents may be inspected between the hours of 9am to 5pm for 14 days from Admission, at 1-2 L'Avenue le Bas, St Saviour, Jersey, JE4 8NB:

- Memorandum and Articles of Association of the Company;
- Copies of the Cushman and Wakefield property valuations referred to in Part I, section 10 of this Document;
- The audited consolidated financial statements of the Company for each of the financial years ended 28 January 2017, 27 January 2018 and 26 January 2019¹; and

Date: 29 May 2019

- The Listing Document.

¹ Copies of these financial statements have been provided to the Authority.

Further information on the Group can be obtained from the Company's website www.sandpiperci.com. Audited annual accounts can be obtained by request to the Secretary at the Registered Office of the Company at 1-2 L'Avenue Le Bas, Longueville, St Saviour, Jersey JE4 8NB. Future audited annual accounts will be published on the Exchange's website www.tisegroup.com for so long as the Company is listed on the Official List.

19. Working capital

Having made due and careful enquiry, the Directors are of the opinion that the Company will have sufficient working capital for its present requirements, that is, for at least the 12 months following the date of Admission.

20. Insurance Arrangements

The Company has insurance cover in place to protect its business from certain risks. Specific policies in place are:

- Commercial Combined which includes Material Damage, Business Interruption, Money and Assault, Glass, Employers Liability, Public Liability, Product Liability and Contract Works;
- Motor Fleet;
- Terrorism;
- Deterioration of Stock;
- Marine Cargo;
- Engineering Computers;
- Engineering Material Damage;
- Engineering Inspection;
- Management Liability; and
- Group Personal Accident, Sickness and Business Travel.

The Directors believe that the Company's current insurance coverage is appropriate for its business, in respect of its level and applicable excesses and deductibles, considering the Company's business location as well as the size of its business activities.

21. Litigation and Arbitration

No member of the Group is or has been involved in any legal or arbitration proceedings and the Company is not aware of any such proceedings pending or threatened by or against any member of the Group during the 12 months preceding the date of this Listing Document which may have, or have had in the recent past, a significant effect on the Group's financial position or profitability. Whilst in accordance with the provisions of the Company's insurance policies, notifications of circumstances which might lead to a claim have been made to the underwriters, there are no such proceedings pending against the Company or any member of the Group which might have a significant effect on the Company's financial position or profitability, of which the Company is aware.

22. General

- 22.1. Other than the current application for Admission, the Ordinary Shares have not been admitted to dealings on any recognised investment exchange nor has any application for such admission been made or refused nor are there intended to be any other arrangements for dealings in the Ordinary Shares.

Date: 29 May 2019

- 22.2. Save as disclosed in paragraph 4 of Part I of this Document and within the risk factor entitled "Key franchise performance or loss" in Part III of this Document, the Directors are not aware of any other trademarks, patents or other intellectual property or industrial rights which are or may be of material importance to the Group's business or profitability.
- 22.3. Save as disclosed in the paragraph entitled "Current Trading and Prospects" in Part I of this Listing Document, there has been no significant change in the trading or financial position of the Company and the Group since 26 January 2019, being the date to which the financial information contained in Appendix A and Part I of this Listing Document was prepared.
- 22.4. There have been no significant interruptions in the business of the Group that may have or have had a material adverse effect on the Group's financial position in the 12 months preceding the publication of this Listing Document.
- 22.5. There is no change in the nature of the business of the Group contemplated.

Dated: 29 May 2019

DEFINITIONS

The following definitions apply throughout this Listing Document, unless the context requires otherwise:

"Adjusted EBITDA"	EBITDA adjusted for items contained within the Company's operating profit that management believe to be exceptional in nature by virtue of their size or incidence or those having a distortive effect. These exceptional costs include acquisition-related costs incurred in connection with the Company's acquisitions in financial years ending January 2017, 2018 and 2019;
"Admission"	the admission of all of the Ordinary Shares to trading on the Official List in accordance with the TISEA Listing Rules (including, for the avoidance of doubt, both Initial Admission and Final Admission);
"Articles"	the articles of association of the Company as amended, supplemented and replaced from time to time;
"Board" or "Directors"	the directors of the Company from time to time, appointed on the Company's board of directors in accordance with the Articles and Companies Law;
"Companies Law"	the Companies (Jersey) Law 1991 (as amended from time to time);
"Company" or "Sandpiper"	SandpiperCI Group Limited;
"Conversion"	means the combination and conversion of each A and B Ordinary Share in issue into 1 Ordinary Share, as more fully described in paragraph 2(5) of Part IV (<i>Summary of the Placing</i>);
"CREST"	the central securities depository for markets in the United Kingdom;
"EBITDA"	earnings before interest, tax, depreciation and

	amortisation;
"Existing Shares"	means the existing issued Ordinary Shares in the share capital of the Company immediately prior to Initial Admission;
"Final Admission"	means the admission of the New Shares to the Official List;
"Group"	SandpiperCI Group Limited together with its Subsidiaries;
"HSBC Facility"	a facility agreement dated 11 June 2018 entered into amongst the Company, Sandpiper Midco Limited, SandpiperCI Limited, and SandpiperCI Retail Limited, Liberty Wharf 2 Limited together as borrowers and HSBC Bank plc as lender;
"Initial Admission"	means the admission of the Existing Shares to trading on the Official List;
"Introduction"	means an introduction of Ordinary Shares comprising (i) certain Existing Shares to be retained by the Retaining Existing Shares Shareholders; and (ii) certain New Shares to be retained by the Retaining New Shares Shareholders;
"JFSC" or "Commission"	the Jersey Financial Services Commission;
"Listing Document" or "Document"	this document and appendices attached;
"Lock-In Agreements"	means the lock in agreements in relation to certain shares in the capital of the Company dated on or around the date of this Document, as made between the Company and (i) each of the Optionholders; and (ii) Antony van der Hoorn.
"New Shares"	means the 16,433,635 Ordinary Shares in issue, but excluding the Existing Shares, in the share capital of the Company following the

	Conversion;
"Official List"	the list of securities admitted to listing on the Exchange which is published and maintained by the Authority;
"Optionholders"	means each of Anthony O'Neill, Stephen Harrison, Clair Sequeira, Neil Walker, Stephen Forrester, David Leigh and Nick Henderson;
"Option Shares"	means the 3,261,422 Ordinary Shares and 939,412 A Ordinary Shares issued by the Company to the Optionholders (including the shares issued to Huntress in respect of the Remaining Share Option) in accordance with their respective share options;
"Ordinary Shares"	ordinary shares of no par value in the share capital of the Company;
"Placing"	the conditional placing of the Placing Shares by Ravenscroft, at the Placing Price pursuant to the Placing Agreement;
"Placing Agreement"	the conditional agreement dated 29 May 2019 between Ravenscroft, the Company and the Selling Shareholders, further details of which are set out in paragraph 15 of Part VI (<i>Additional Information</i>) of the document;
"Placing Price"	£0.75 per Placing Share;
"Placing Shares"	the Sale Shares;
"Ravenscroft"	Ravenscroft Limited, a company registered in Guernsey with Company number 42906 and whose registered office is at PO Box 222, 20 New Street, St Peter Port, Guernsey GY1 4JG;
"Registrars"	means the Company's Registrars from the date of the Final Admission, being Link Market Services (Jersey) Limited, a company registered in Jersey with Company number 64502 and whose registered office is at 12 Castle Street,

	St Helier, Jersey JE2 3RT;
"Retaining Existing Shares Shareholders"	means each of Bailiwick Investments Limited, Sealyham Investments Limited, Pula Investments Limited, Noel Coburn, Coburn & Associates Blossom Investments Limited, Anthony O'Neill and Stephen Harrison;
"Retaining New Shares Shareholders"	means each of Anthony O'Neill, Stephen Harrison, Nick Henderson, Stephen Forrester, Clair Sequeira, Neil Walker and David Leigh;
"Sandpiper Group" or "Sandpiper"	shall mean the business formally conducted by the Company and its Subsidiaries under the Sandpiper brand;
"Sale Shares"	the 25,117,022 Ordinary Shares to be sold by the Selling Shareholders pursuant to the Placing;
"Selling Existing Shares Shareholders"	means each of Bailiwick Investments Limited, Sealyham Investments Limited, Anthony O'Neill and Stephen Harrison;
"Selling New Shares Shareholders"	means each of Anthony O'Neill, Stephen Harrison, Nick Henderson, Stephen Forrester, Clair Sequeira, Neil Walker and David Leigh;
"Selling Shareholder"	means the Selling Existing Shares Shareholders and the Selling New Shares Shareholders;
"Shareholder"	a holder of Ordinary Shares in the Company;
"Takeover Code"	The UK City Code on Takeovers and Mergers, as amended, supplemented or replaced from time to time;
"TISE" or "Exchange"	the investment exchange known as The International Stock Exchange, TISE or any previous or successor name of the Exchange, which is operated by the Authority;
"TISEA" or "Authority"	The International Stock Exchange Authority Limited, also known as TISEA or any previous

or successor name, which is licensed to operate an investment exchange by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended;

"TISEA Listing Rules"

the rules of the Authority governing the listing of securities on the Exchange, as amended from time to time and available on TISE's website www.tisegroup.com;

"UK"

The United Kingdom of Great Britain and Northern Ireland; and

"US"

The United States of America.

Date: 29 May 2019

APPENDIX A

AUDITED ANNUAL ACCOUNTS FOR THE YEAR ENDED 26 JANUARY 2019

Sandpiper Topco Limited

Registered number 97651

**Directors' Report and Consolidated
Financial Statements
for the period ended 26 January 2019**

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Directors' Report

The Directors present their Directors' Report and the Consolidated Financial Statements of Sandpiper Topco Limited (the "Company") and its subsidiaries (together the "Group") for the period ended 26 January 2019.

Principal activities

The Group is principally engaged in the operation of convenience stores and other retail outlets in the Channel Islands.

Financial instruments

Details of the use by the Group of financial instruments can be found in the notes to the consolidated financial statements.

Results

The results for the period are set out on page 8.

Dividends

A dividend of £Nil (2018: £1,000,000) was paid in the period.

Employment policies

The Group strives to meet its business objectives by motivating and encouraging its employees to be responsive to the needs of its customers and by continually improving operational performance. The Group is committed to providing equality of opportunity to employees and potential employees. This applies to appropriate training, career development and promotion for all employees, regardless of physical ability, gender, sexual orientation, religion, age or ethnic origin.

Full and fair consideration is given to applications for employment received from disabled persons, according to their skills and capabilities. The services of any existing employee disabled during their period of employment are retained wherever possible.

Directors and interests in shares

The Directors who served throughout the period and up to the date of signing these financial statements were as follows:

ATJ O'Neill
SJA Harrison
TR Scott
J Ravenscroft
AJ van der Hoorn (appointed 30 April 2019)

Directors' Report *(continued)*

The Directors who held office at the end of the financial period had the following interests in the ordinary shares of Group companies according to the register of directors' interests:

	Company	Class of share	Interest
At end of period			
ATJ O'Neill	Sandpiper Topco Limited	Ordinary Shares	770,448
ATJ O'Neill	Sandpiper Topco Limited	Options over Ordinary Shares	937,573
ATJ O'Neill	Sandpiper Topco Limited	Options over Ordinary Shares	929,547
SJA Harrison	Sandpiper Topco Limited	"B" Ordinary Shares	939,412
SJA Harrison	Sandpiper Topco Limited	Options over "A" Ordinary Shares	939,412
SJA Harrison	Sandpiper Topco Limited	Options over Ordinary Shares	232,387

None of the other Directors who held office at the end of the financial period had any disclosable interest in the shares of other Group companies.

Political and charitable contributions

Donations to charities amounted to £8,037 (2018: £11,230).

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Auditor

As the Group has dispensed with the holding of an Annual General meeting pursuant to Paragraph (4) Article 87, BDO LLP as auditor in office shall continue to act and be deemed re-appointed until removed, or until the Group in general meeting resolves that the appointment of the auditor be brought to an end.

By order of the board



AJ van der Hoorn
Secretary

Registered Office:
1-2 L'Avenue Le Bas
Longueville
St Saviour
Jersey
JE4 8NB

10th May 2019

Statement of Directors' Responsibilities in respect of the Directors' Report and the Consolidated Financial Statements

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

The Directors are required to prepare financial statements for each financial period under the Companies (Jersey) Law 1991. As permitted under that law, the Directors have elected to prepare the Group financial statements in accordance with UK Accounting Standards and applicable law.

The Group financial statements are required by law to give a true and fair view of the state of affairs of the Group and of the profit or loss for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that its financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF SANDPIPER TOPCO LIMITED

Opinion

We have audited the financial statements of Sandpiper Topco Limited ("the Parent Company") and its subsidiaries ("the Group") for the period from 28 January 2018 to 26 January 2019 which comprise the consolidated profit and loss account, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'the Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's affairs as at 26 January 2019 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Parent Company and Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Consolidated Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SANDPIPER TOPCO LIMITED (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Parent Company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities in respect of the Directors' Report and the Consolidated Financial Statements, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Newman
For and on behalf of BDO LLP, Chartered Accountants
Southampton, United Kingdom

Date: 10 May 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Consolidated profit and loss account for the period ended 26 January 2019

	<i>Note</i>	Total 2019	Total 2018
		£'000	<i>Restated</i> £'000
Turnover	3	189,056	174,884
Cost of sales		(173,816)	(160,200)
Gross profit		15,240	14,684
Rental income		1,337	908
Administrative expenses		(12,924)	(13,031)
Revaluation of investment property		5,018	-
Profit/(loss) on disposal of fixed assets		641	(118)
Operating profit	4	9,312	2,443
Finance charges (net)	7	(1,207)	(1,306)
Profit on ordinary activities before taxation		8,105	(1,137)
Tax on profit on ordinary activities	8	(1,348)	(1,248)
Profit/(loss) for the financial period		6,757	(111)

All items dealt with in arriving at the profit on ordinary activities before taxation for both periods relate to continuing operations.

Consolidated statement of comprehensive income for the period ended 26 January 2019

	Note	2019 £'000	2018 £'000
Profit/(loss) for the period		6,757	(111)
Actuarial gain/(loss) relating to defined benefit pension schemes	25	500	(10)
Exchange differences		(80)	203
Revaluation of freehold property		2,597	-
Total comprehensive income relating to the financial period		9,774	82

Presentational amendments have been made to the prior period as disclosed in note 1.

The notes on pages 13 to 35 form part of these accounts.

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Consolidated balance sheet

At 26 January 2019

	Note	2019 £'000	2019 £'000	2018 £'000	2018 £'000
Fixed assets					
Intangible assets	12	26,169		27,268	
Tangible assets	13	66,471		48,745	
Investments	14	2		2	
			92,642		76,015
Current assets					
Stocks	15	10,447		10,203	
Debtors	16	5,229		4,089	
Cash at bank and in hand		7,619		11,778	
		23,295		26,070	
Creditors: amounts falling due within one year	17	(31,127)		(49,207)	
Net current liabilities			(7,832)		(23,137)
Total assets less current liabilities			84,810		52,878
Creditors: amounts falling due after more than one year	18		(23,367)		(101)
Provisions for liabilities	20		(1,680)		(2,102)
Net assets excluding pension asset / (liability)			59,763		50,675
Net pension asset/(liability)	25		167		(519)
Net assets including pension liability			59,930		50,156
Capital and reserves					
Called up share capital	21		-		-
Share premium account			20,799		20,799
Reserved shares			-		-
Profit and loss account			39,131		29,357
Shareholders' funds			59,930		50,156

These financial statements were approved by the board of Directors on
signed on its behalf by

10th

May 2019 and were



ATJ O'Neill
Director

The notes on pages 13 to 35 form part of these accounts.

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Consolidated statement of changes in equity for the period ended 26 January 2019

Group	Share capital £'000	Share premium £'000	Reserved shares £'000	Profit and loss account £'000	Total equity £'000
At 28 January 2018	-	20,799	-	29,357	50,156
Profit for the period	-	-	-	6,757	6,757
Actuarial gains on pension schemes	-	-	-	500	500
Exchange differences	-	-	-	(80)	(80)
Revaluation of freehold properties	-	-	-	2,597	2,597
Other comprehensive income for the period				3,017	3,017
Total comprehensive income for the period	-	-	-	9,774	9,774
At 26 January 2019	-	20,799	-	39,131	59,930

At 26 January 2019 £12,335,000 (2018: £4,720,000) of the Profit & Loss reserve is non-distributable.

	Share capital £'000	Share premium £'000	Reserved shares £'000	Profit and loss account £'000	Total equity £'000
At 28 January 2017	-	20,799	-	30,275	51,074
Loss for the period	-	-	-	(111)	(111)
Actuarial losses on pension schemes	-	-	-	(10)	(10)
Exchange differences	-	-	-	203	203
Other comprehensive income for the period	-	-	-	193	193
Total comprehensive income for the period	-	-	-	82	82
Equity dividends paid	-	-	-	(1,000)	(1,000)
Total distributions to owners	-	-	-	(1,000)	(1,000)
At 26 January 2018	-	20,799	-	29,357	50,156

The notes on pages 13 to 35 form part of these accounts

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Consolidated cash flow statement

for the period ended 26 January 2019

Cash flows from operating activities	Note	2019 £'000	2018 £'000
Profit/(loss) for the financial period		6,757	(111)
Adjusted for:			
Depreciation, impairment and amortisation of fixed assets	4	5,010	4,626
Net interest payable	7	1,207	1,306
Revaluation of investment property		(5,018)	-
Taxation expense	8	1,348	1,248
Increase in stock		(221)	(556)
(Increase)/decrease in debtors		(1,005)	643
Increase in creditors		353	2,669
Decrease in provisions		(433)	(561)
Exchange differences		(42)	203
Share based payment		-	32
Defined Benefit pension schemes		(200)	-
(Profit)/loss on disposal		(641)	118
Cash from operations		7,115	9,617
Bank interest paid		(582)	(433)
Subordinated loan interest paid		(1,675)	-
Dividends paid		-	(1,000)
Taxation paid		(30)	(6)
Net cash generated from operating activities		4,828	8,178
Cash flows from investing activities			
Proceeds from sale of tangible fixed assets		1,490	2,661
Purchase of tangible fixed assets	13	(3,458)	(3,877)
Purchase of subsidiary undertakings	29	(11,762)	(6,873)
Cash acquired with subsidiary undertakings	29	82	573
Interest received	7	-	-
Net cash used in investing activities		(13,648)	(7,516)
Cash flows from financing activities			
Repayment of bank loans		(18,353)	(3,802)
Repayment of subordinated loans		(194)	(132)
New bank loans		23,500	8,000
New subordinated loans		-	154
Debt issue costs		(284)	(43)
Net cash generated from financing activities		4,669	4,177
Net (decrease) / increase in cash and cash equivalents		(4,151)	4,839
Effect of exchange rates on cash and cash equivalents		(8)	(290)
Cash and cash equivalents at beginning of period		11,778	7,229
Cash and cash equivalents at end of period		7,619	11,778

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Consolidated cash flow statement (continued)

for the period ended 26 January 2019

Cash and cash equivalents comprise:	2019	2018
	£'000	£'000
Cash at bank and in hand	7,619	11,778
	<u>7,619</u>	<u>11,778</u>

Analysis of changes in net debt

	Note	At 27 January 2018	Cash flows	Other changes	At 26 January 2019
		£'000	£'000	£'000	£'000
Cash at bank and in hand		11,778	(4,151)	(8)	7,619
Debt due within one year	19	(21,351)	18,353	1,086	(1,912)
Debt due after one year	19	(101)	(23,500)	234	(23,367)
Total		<u>(9,674)</u>	<u>(9,298)</u>	<u>1,312</u>	<u>(17,660)</u>

The notes on pages 13 to 35 form part of these accounts.

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102"). The Group has adopted Amendments to FRS 102 – Triennial Review 2017 – in these financial statements.

Basis of consolidation

The consolidated financial statements include the financial statements of Sandpiper Topco Limited (the "Company") and its subsidiary undertakings (together the "Group") made up to 26 January 2019. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the period are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Going Concern

The Directors consider that the Group has adequate resources to remain in operation for the foreseeable future. In addition, based on the Group's cash flow forecasts and projections for the next 18 months from the date of signing these financial statements, the Directors are satisfied that the Group will be able to operate within the level of its facilities for the foreseeable future. For these reasons the Group continues to adopt the going concern basis in preparing its financial statements.

Goodwill

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on consolidation in respect of acquisitions is capitalised. Positive goodwill is amortised within administrative expenses to nil by equal annual instalments over its estimated useful life, which has been estimated at 20 years. The directors will monitor the useful economic life of goodwill on a regular basis, and will consider the useful life and residual value will be affected by certain external events and economic influences. In the first full year following an acquisition the carrying value of goodwill is reviewed for impairment. Thereafter, further reviews are performed when events or circumstances indicate that the carrying value may not be appropriate. Any impairment charge is included within operating profits unless otherwise stated.

The estimated useful economic life of the goodwill is based on a variety of factors, the principal factors being the longstanding nature and reputation of the businesses acquired within the Channel Islands and assumptions that market participants would consider in respect of similar businesses.

Other intangible assets

Other intangible assets comprise the rights to operate coffee shops under the Costa brand in certain territories within Spain and Gibraltar. These are being amortised over 5 years, the period for which the Group has the rights.

Sale and leaseback

When a sale and leaseback transaction results in a finance lease no gain is immediately recognised for any excess of sales proceeds over the carrying amount of the asset. Instead, the proceeds are presented as a liability and subsequently measured at amortised cost using the effective interest method. When a sale and leaseback transaction results in an operating lease, and it is clear that the transaction is established at fair value, any profit or loss is recognised immediately.

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

1 Accounting policies (continued)

Tangible fixed assets

With the exception of land & buildings, the cost of fixed assets is their purchase cost, together with any incidental cost of acquisition. The Group has adopted a revaluation policy for freehold property, with the first revaluation taking place as at 31 December 2015 and revaluations to occur every three years thereafter. Freehold property is stated in the financial statements at an open market existing use value, as outlined in note 13. Any surplus or deficit on book value is credited/debited to Other Comprehensive Income.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of tangible fixed assets (excluding freehold land) less their estimated residual values on a straight line basis over the expected useful economic lives of the assets concerned. Residual values are calculated on prices prevailing at the date of acquisition or revaluation.

Land & Buildings

Freehold land is not depreciated. Freehold buildings are depreciated over 15-50 years on an individual appraisal basis. Interests in leasehold land and buildings are depreciated over the shorter of the un-expired portion of the lease or the expected useful life of the property, that not being more than 50 years.

Other Assets

Plant & Machinery	Straight line basis between 1 and 15 years
Fixtures & Fittings	Straight line basis between 1 and 25 years
Computer Equipment	Straight line basis between 1 and 10 years
Motor vehicles	Straight line basis between 3 and 5 years

Investment property

Investment property is initially recognised at cost, including any directly attributable acquisition costs, and subsequently recognised at fair value through profit or loss. The properties are valued by an external valuation expert every three years. In those periods where revaluation does not occur, the Directors assess the fair value of the portfolio for any significant movements.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are included within creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period.

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

1 Accounting policies (continued)

Pension costs

For defined benefit schemes the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the consolidated profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance charges or credits adjacent to interest.

Actuarial gains and losses are recognised immediately in the consolidated statement of total recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resultant defined benefit asset or liability, net of related deferred tax, is presented separately after other net assets on the face of the balance sheet.

For defined contribution schemes, the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Stocks

Stock is stated at the lower of cost and net realisable value. Cost includes direct materials and labour and also those overheads that have been incurred in bringing the stock to its present location and condition. Net realisable value is based on estimated selling price less further costs expected to be incurred prior to disposal. Provision is made for slow moving or defective items where appropriate.

Taxation

The charge for current tax (including foreign tax) is based on the profit for the period as adjusted for tax purposes. Group companies resident in the Channel Islands are subject to a general corporate rate of tax of 0%. However, certain types of income, including Channel Islands rental income, are taxable at the standard rate of 20%. From 1 January 2016 and 1 January 2018 in Guernsey and Jersey (respectively), where a Group company meets the definition of a Large Corporate Retailer, the whole of the company's profits are subject to tax at a rate of up to 20%.

Deferred tax is recognised on all temporary timing differences arising between tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are only recognised to the extent that it is probable that taxable profits will be available in the future. Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are enacted or substantively enacted at the balance sheet date.

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

1 Accounting policies (continued)

Investments

Investments are stated at cost less provision for any impairment in value.

Classification of financial instruments issued by the Group

- a) Financial instruments issued by the Group are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:
- b) they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and
- c) where the instrument will or may be settled in the Group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Group's own equity instruments or is a derivative that will be settled by the Group exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the net proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Group's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Issue costs of debt instruments are deducted from the gross proceeds received for the purposes of initial recognition in the balance sheet and are subsequently amortised in the profit and loss account within interest payable and similar charges so as to reflect a constant rate of charge on the carrying value of the related instrument.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges.

From time to time the Group uses interest rate swaps to manage its exposure to interest rate risk. These are treated as fair value through profit or loss.

Turnover

Turnover, which excludes sales between Group companies, represents the value of goods and services supplied, net of refunds and discounts given to customers. Turnover is recognised when the significant risks and rewards of ownership have transferred to the customer.

Rental income

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

Cash

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Prior Period Presentational Amendments

Presentational amendments have been made to the prior period to include amortisation and depreciation totalling £4,634,000 within administrative expenses from cost of sales, the effect of which is £Nil on profit and net assets.

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Determine whether leases entered into by the Group, either as a lessor or a lessee, are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.

Determine whether there are indicators of impairment of the Group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and, where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

Tangible fixed assets (see note 13), are depreciated over their useful lives, taking into account residual values where appropriate. The actual lives of assets and residual values are based on a number of factors, predominantly being the actual life of an asset to the point it remains no longer economically viable to maintain and the regularity of store fit-out programs/refreshes.

Where leased properties are no longer used by the Group but have a remaining lease term a provision for such vacant properties is recorded. This provision is based on the estimated discounted future cost to the Group of the vacant premise. Factors taken into account are lease and ancillary costs and an estimate as to how much of the future term the property might be sublet.

The Group carries investment property at fair value through profit or loss, and uses professionally qualified valuation specialists to determine fair value every three years. In the periods where valuation is not obtained, the Directors assess the fair value of the portfolio for any significant movements using the current rental income and the yields used in the most recent independent valuation. Freehold and investment properties are professionally valued every 3 years. This uses market rentals and earnings figures respectively. There is a degree of judgement over the forecast rental income and trading results.

Stock provisions are made based on a percentage of revenue until the next stock take is performed. The percentage provided for varies by business area and is based on a combination of track record and current conditions.

The Group maintains three legacy defined benefit pension schemes. In order to estimate the future liabilities of these schemes assumptions, extended way into the future, are made in respect of inflation, discount rates and mortality. These are estimated based on current best practice by reference to qualified actuaries.

3 Analysis of Turnover

By country of destination:

	26 January 2019	27 January 2018
	£'000	£'000
Channel Islands	185,531	170,950
Spain	1,880	2,526
Gibraltar	1,645	1,408
	<hr/>	<hr/>
	189,056	174,884
	<hr/>	<hr/>

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

4 Operating profit

Operating profit is stated after charging/(crediting):

	26 January 2019 £'000	27 January 2018 £'000
Depreciation of tangible fixed assets:		
- owned	3,270	3,008
- leased	256	219
Amortisation of goodwill	1,462	1,356
Amortisation of intangibles	22	23
Operating lease rentals:		
- plant and machinery	83	63
- other	7,569	7,603
Share based payment	-	32
Defined benefit pension scheme (credit) / charge	(186)	13
Defined contribution pension scheme charge	428	230
Auditor's remuneration:		
Audit fees	87	84
Tax compliance fees	28	26
Tax advisory fees	19	6
Other services	8	33

5 Remuneration of Directors

	26 January 2019 £'000	27 January 2018 £'000
Directors' fees and emoluments	960	996
Share based payments	30	32
Company contributions to money purchase schemes	52	52
	<u>1,042</u>	<u>1,080</u>

Retirement benefits are accruing to two (2018: two) Directors under money purchase pension arrangements.

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

6 Staff numbers and costs

The average number of persons employed by the Group (including executive directors) during the period, analysed by category, was as follows:

	26 January 2019 Number of employees	27 January 2018 Number of employees
Full time	721	751
Part time	324	344
	<hr/> 1,045	<hr/> 1,095

The aggregate payroll costs of these persons were as follows:

	26 January 2019 Group £'000	27 January 2018 Group £'000
Wages and salaries	23,475	21,870
Defined contribution pension scheme	428	230
	<hr/> 23,903	<hr/> 22,100

The emoluments of the Directors of the Company have been recharged in full to Group undertakings.

7 Finance charges (net)

	26 January 2019 £'000	27 January 2018 £'000
Interest payable and similar charges	1,196	1,293
Net return on pension scheme (see note 25)	11	13
	<hr/> 1,207	<hr/> 1,306

Interest payable and similar charges

	26 January 2019 £'000	27 January 2018 £'000
Bank loans and overdrafts	582	510
Loan notes	549	697
	<hr/> 1,131	<hr/> 1,207
Amortisation of debt issue costs	65	86
	<hr/> 1,196	<hr/> 1,293

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

8 Tax on profit on ordinary activities and Deferred tax

The tax charge comprises:

	26 January 2019 £'000	27 January 2018 £'000
Current tax		
Channel Islands tax	1,228	427
Gibraltar tax	30	6
Adjustments in respect of prior periods		
- Channel Islands tax	-	179
Deferred tax liability	30	636
Total tax on profit on ordinary activities	1,348	1,248

The differences between the total current tax shown above and the amount calculated by applying the standard rates of Channel Islands income tax to the profit before tax is as follows:

	26 January 2019 £'000	27 January 2018 £'000
Profit on ordinary activities before tax	8,105	1,137
Tax on Group profit on ordinary activities at standard Channel Islands income tax rate of 20% (2018: 0%)	1,629	-
Deferred tax – effect of change in tax rate	-	636
Effects of:		
Trading profits taxable at 20%	-	187
Gibraltar trading profits taxable at 10%	30	6
Rental income taxable at 20%	-	240
Non-qualifying depreciation and amortisation	671	-
Disallowable expenditure and non-taxable income (net)	22	-
Non-taxable revaluations	(1,004)	-
Adjustments in respect of prior periods	-	179
Group current tax charge for the period	1,348	1,248

The deferred tax effect of the increase in tax rate, which was approved by the States of Jersey in December 2017, is reflected as a current period deferred tax charge.

Although the general company income tax rate in the Channel Islands is 0%, the significant majority of the group's profit (retail activity and rental income) is subject to Channel Islands income tax at 20%. Therefore, the tax reconciliation is based on an expected effective rate of tax of 20%.

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

9 Parent company

The Company has taken advantage of the exemption allowed under the Companies (Jersey) Law 1991 and has not presented its own primary statements in these financial statements.

10 Dividends on equity shares

Amounts recognised as distributions to equity holders in the period:

	26 January 2019 £'000	27 January 2018 £'000
Final dividend for the period ended	-	1,000
Total dividend paid in the period	-	1,000

11 Share based payments

The Group has a share option scheme for certain employees of the Group. These fall into 2 categories: a) immediately exercisable; and b) exercisable on the earlier of 3 years, or one of various trigger events (e.g., sale of the Group) if earlier. The former are eligible to receive dividends when paid, while the latter are not. All options require the payment of cash to exercise the option, in return for which equity is issued.

Details of the share options outstanding during the period are as follows:

	26 January 2019		27 January 2018	
	Number of options	Weighted average exercise price (£)	Number of options	Weighted average exercise price (£)
Outstanding at beginning and end of the period	4,200,854	0.58	4,200,854	0.58
Exercisable at the end of the period	1,876,985	0.26	1,876,985	0.26

The options outstanding at 26 January 2019 had a weighted average exercise price of £0.58 (2018: £0.58). The options have no expiry date. Options were granted on 2 September 2016. The aggregate of the estimated fair values of the options granted on those dates is £561,000.

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

11 Share based payments (continued)

The inputs into the Black Scholes model are as follows:

	2019	2018
Weighted average share price	50p	50p
Weighted average exercise price	58p	58p
Expected volatility	24.41%	24.41%
Expected life	3 years	3 years
Risk-free rate	0.28%	0.28%
Expected dividend yield	3.00%	3.00%

Expected volatility was determined by calculating the historical volatility of the share prices of a basket of Retail shares – Tesco plc, J Sainsbury plc, Marks & Spencer plc, Debenhams plc, and William Morrison Supermarkets plc – for the 3 year period to 2 September 2016. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The share based remuneration in equity-settled schemes was £30,000 (2018: £32,000).

1,876,985 options are exercisable on the earlier of 3 years or certain trigger events. The unexpired term of these options to their 3 year anniversary is 0.6 years.

12 Intangible Assets

	Goodwill £'000	Other £'000	Total £'000
Cost			
At 27 January 2018	48,063	129	48,192
Additions (note 29)	385	-	385
At 26 January 2019	48,448	129	48,577
Amortisation			
At 27 January 2018	20,849	75	20,924
Charge for the period	1,462	22	1,484
At 28 January 2018	22,311	97	22,408
Net book value at 26 January 2019	26,137	32	26,169
Net book value at 27 January 2018	27,214	54	27,268

Goodwill arising on consolidation is being amortised over the Directors' estimate of its useful life of 20 years. The estimate is based on a variety of factors, the principal factors being the longstanding nature and reputation of the businesses acquired within the Channel Islands and assumptions that market participants would consider in respect of similar businesses.

Other intangible assets comprise of the rights to operate coffee shops under the Costa Brand in territories within Spain and Gibraltar.

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

13 Tangible fixed assets

Group	Land & Buildings		Other Assets £'000	Total £'000
	Freehold £'000	Leasehold £'000		
Cost				
At 27 January 2018	38,281	2,599	32,231	73,111
Additions	-	296	3,162	3,458
Acquired with subsidiaries	11,375	-	10	11,385
Revaluation	7,026	-	-	7,026
Effects of exchange	-	-	(17)	(17)
Disposals	(940)	(131)	(17,566)	(18,637)
	<u>55,742</u>	<u>2,764</u>	<u>17,820</u>	<u>76,326</u>
At 26 January 2019				
Depreciation				
At 27 January 2018	392	1,608	22,366	24,366
Revaluation	(588)	-	-	(588)
Charge for the period	196	256	3,074	3,526
Effects of exchange	-	-	9	9
Disposals	-	(127)	(17,331)	(17,458)
	<u>-</u>	<u>1,737</u>	<u>8,118</u>	<u>9,855</u>
At 26 January 2019				
Net Book Value At 26 January 2019	<u>55,742</u>	<u>1,027</u>	<u>9,702</u>	<u>66,471</u>
Net Book Value At 27 January 2018	37,889	991	9,865	48,745

Within Freehold Land and Buildings, the carrying amount comprises:

	2019 £'000	2018 £'000
Investment property at fair value		
Freehold investment property	21,871	11,195

The group's investment properties were revalued on 31 December 2018 at fair value by an independent, professionally qualified valuer. The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual. Details on the assumptions made and the key sources of estimation uncertainty are given in note 2. The directors engaged a valuer with a detailed knowledge of the Channel Islands market in order to obtain a precise valuation.

The cost of the Group's freehold property under the historical cost accounting rules is £31,893,000 (2018: £27,115,000) and written down value £30,058,000 (2018: £25,391,000).

The cost of the Group's investment property under the historical cost accounting rules is £16,807,000 (2018: £11,149,000) and written down value £16,575,000 (2018: £11,001,000).

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

13 Tangible fixed assets (continued)

Movement in the fair value of investment property is as follows:

Fair value	£'000
At 27 January 2018	11,195
Acquisitions	11,375
Reclassification to freehold property	(4,777)
Revaluation	5,018
Disposals	(940)
At 26 January 2019	21,871

During April 2018, the group acquired a company with an investment property portfolio. Immediately subsequent to acquisition, management reclassified elements of the acquired property to freehold property to recognise that it is used in the business.

14 Fixed asset investments

Group	Other investments £'000
Cost	
At 26 January 2019 and 27 January 2018	2

15 Stock and work in progress

	2019 £'000	2018 £'000
Finished goods and goods for resale	10,447	10,203

There is no material difference between the replacement cost of stocks and the amounts stated above.

16 Debtors

	2019 £'000	2018 £'000
Trade debtors	2,168	1,568
Other debtors	1,232	736
Prepayments and accrued income	1,829	1,785
	5,229	4,089

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

17 Creditors: amounts falling due within one year

	2019 Group £'000	2018 Group £'000
Bank loans	1,801	15,873
Loan notes	-	5,274
Other loans	111	204
Trade creditors	16,657	17,499
Current taxation and social security	5,397	3,596
Other creditors	3,594	3,527
Accruals and deferred income	3,567	3,234
	<hr/> 31,127 <hr/>	<hr/> 49,207 <hr/>

18 Creditors: amounts falling due after more than one year

	2019 Group £'000	2018 Group £'000
Bank loans	19,219	-
Loan notes	4,148	-
Other loans	-	101
	<hr/> 23,367 <hr/>	<hr/> 101 <hr/>

19 Analysis of debt

Excluding overdrafts:

	2019 Group £'000	2018 Group £'000
Debt can be analysed as falling due:		
In one year or less, or on demand	1,975	21,351
Between one and two years	1,920	101
Between two and five years	17,479	-
In more than five years	4,148	-
	<hr/> 25,522 <hr/>	<hr/> 21,452 <hr/>
Unamortised debt issue costs	(243)	(25)
	<hr/> 25,279 <hr/>	<hr/> 21,427 <hr/>

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

19 Analysis of debt (continued)

Debt comprises bank loans and subordinated loans. The bank loans are secured by way of a variety of charges over properties, insurance policies, bank accounts and other assets owned by the Group and charges over the shares of the Company and its subsidiaries. The rights of the lenders under the loan notes rank behind those of the providers of the principal bank loan finance and the rights of interest rate hedging counterparties.

In May 2018 the Group refinanced its borrowings with HSBC Bank plc and has in place a new facilities package including a 5 year term loan of up to £23.5m, revolving credit facility of up to £5m and overdraft of up to £3m.

The loan accrues interest at a variable rate of LIBOR + 2%. Capital repayments of £480,000, plus interest, are made quarterly.

In August 2018 the Group refinanced the shareholder loan notes, where interest accrued to date was paid. These notes are repayable in 2028. Interest on the loan notes accrues at a rate of 8% per annum. The notes were subsequently waived after the end of the reporting period, as detailed in note 30.

20 Provisions for liabilities

Group	Onerous Contracts £'000	Vacant Property £'000	Store Layout £'000	Dilapidations £'000	Deferred Tax £'000	Total £'000
At 27 January 2018	691	447	168	160	636	2,102
Utilisation of provision	(248)	(446)	-	-	-	(694)
Profit & Loss charge	-	229	-	3	30	262
Effects of exchange	(11)	-	-	-	-	(11)
Unwinding of discount	-	21	-	-	-	21
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 26 January 2019	432	251	168	163	666	1,680
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Vacant Property

The vacant property provision represents the Group's anticipated future costs on long leasehold property, which is no longer used to generate cash flows in the business.

Store Layout

The store layout provision relates to works to be undertaken at Liberty Wharf shopping centre in Jersey.

Dilapidations

The dilapidations provision represents the Group's anticipated liability for making good certain leasehold property, as detailed in the respective leases, when the lease term on these properties expires.

Onerous Contracts

Where leasehold stores become loss making, the group provides for all costs, net of anticipated income, to the end of the lease or the anticipated date of the disposal or sub-lease. This provision relates to a number of stores which are loss making in Spain. The provision is expected to be utilised over the life of the related leases of these stores.

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

21 Called up share capital

Allotted, called up and fully paid no par value shares:

£'000

27 January 2018 and 26 January 2019

21,361,683 Ordinary shares

939,412 'B' Ordinary shares

-

-

-

-

In accordance with the requirements of Jersey law, a nominal value of £nil is ascribed to the shares in issue, with the proceeds of issue being credited to the share premium account.

22 Share premium and reserves

All shares ('A', 'B' and Ordinary) rank pari passu in all respects as to voting rights, dividends and amounts receivable on a winding up and have been classified as equity shares for the purposes of these financial statements. All of the Company's expenses during the period were recharged to Group undertakings.

23 Contingent liabilities

At 26 January 2019 the Group had a contingent liability for guarantees provided by its principal bank totalling £nil (2018: £400,000) in respect of guarantees issued to third parties.

24 Commitments

- (a) Capital commitments at the end of the financial period, for which no provision has been made, were as follows:

	2019 Group £'000	2018 Group £'000
Contracted	107	11

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

24 Commitments (continued)

(b) The Group had minimum lease payments under non-cancellable operating leases as follows:

Group	2019 Land and Buildings £'000	2019 Other £'000	2018 Land and Buildings £'000	2018 Other £'000
Not later than one year	7,148	11	7,788	12
Later than 1 year and not later than 5 years	25,529	-	26,879	-
Later than 5 years	34,946	-	42,343	-
	<u>67,623</u>	<u>11</u>	<u>77,010</u>	<u>12</u>

(c) The Group had minimum lease payments due under non-cancellable operating leases from lessees as follows:

Group	2019 Land and Buildings £'000	2019 Other £'000	2018 Land and Buildings £'000	2018 Other £'000
Not later than one year	2,177	-	1,624	-
Later than 1 year and not later than 5 years	6,384	-	3,870	-
Later than 5 years	8,897	-	4,027	-
	<u>17,458</u>	<u>-</u>	<u>9,521</u>	<u>-</u>

25 Pensions

The Group operates three defined benefit pension arrangements (together, the "Schemes") and one defined contribution scheme in respect of certain of its Channel Islands' employees.

Provision for the cost of the benefits provided to employees under these schemes is charged to the profit and loss account over the average remaining future service lives of the eligible employees. Details of the defined benefit schemes are as follows:

Ann Street Group Limited Staff Pension and Life Assurance Scheme ("Ann Street Scheme 1")
 Bass (Channel Islands) Limited Employees' Security Plan ("Ann Street Scheme 2")
 Bucktrout & Company Limited Pension and Life Assurance Fund ("Bucktrout Scheme")

In each of the Schemes, the benefits provided are based on final salary and length of service on retirement, leaving service or death.

No employees have joined the Ann Street Scheme 2 subsequent to the business of Bass (Channel Islands) Limited being acquired in 2001 and there have been no further contributions since that date.

Sandpiper Topco Limited

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Notes (continued)

(forming part of the financial statements)

25 Pensions (continued)

As at 31 December 2001, all active members of the Schemes joined the Ann Street Scheme 1 in respect of subsequent service.

The three defined benefit schemes were closed to both new and existing members at 31 December 2005, thereby ceasing the accrual of additional benefits for existing members relating to future service from that date onwards. Contributions of £100,000 are expected to be paid into the Schemes in the next financial period.

Comprehensive actuarial valuations are carried out in respect of each of the Schemes at least once every three years to determine whether the Schemes' assets are sufficient to meet their liabilities (assessed using actuarial assumptions selected by the Trustees of the Schemes). Depending on the results of these valuations, the Company may make additional contributions to the Schemes to address any funding shortfall.

The effective dates of the most recently completed comprehensive actuarial valuations of the Schemes were as follows:

Ann Street Scheme 1	1 January 2017
Ann Street Scheme 2	1 April 2017
Bucktrout Scheme	1 January 2017

The Schemes have been reviewed by independent actuaries to support the accounting and disclosure requirements of FRS 102 as at 26 January 2019, using the following assumptions:

	2019	2018
Rate of increase in pensions in payment	2.6%	2.55%
Discount rate	2.5%	2.50%
Jersey Retail Prices Index inflation	3.2%	3.25%

Mortality assumptions regarding future life expectancies at age 65 for males and age 60 for females in respect of all three schemes.

	2019	2018
Male currently aged 45	23.4 years	23.6 years
Female currently aged 40	30.3 years	30.4 years
Male currently aged 65	22.0 years	22.1 years
Female currently aged 60	28.7 years	28.7 years

The disclosures have been made on a combined basis for all three schemes.

The Group contributed £428,000 (2018: £230,000) to one defined contribution pension scheme in respect of Channel Islands and United Kingdom employees.

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Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

25 Pensions (continued)

The assets of the Schemes at the Review Date, excluding annuities in payment, may be broken down as follows:

	2019 Percentage of total assets %	2018 Percentage of total assets %
Insurance policy	36.8	36.6
Equities	15.3	15.7
Gilts	2.6	2.2
Corporate Bonds	9.5	9.1
Gilt strips	25.0	23.6
Other	7.0	6.8
Cash	3.8	6.0
	100.0	100.0
	2019 Group £'000	2018 Group £'000
Fair value of assets	13,979	14,547
Present value of funded obligations	(13,812)	(15,066)
Net defined benefit asset/(liability)	167	(519)

The Schemes' assets do not include any direct investment in the Group. The net pension asset consists of deficits in two schemes and a surplus in the third as follows: Ann Street 1 Scheme surplus £1,346,000 (2018: surplus £1,016,000); Ann Street 2 scheme deficit £637,000 (2018: deficit £909,000); Bucktrout Scheme deficit £541,000 (2018: deficit £626,000).

Annuities in respect of insured pensioner policies in the Ann Street Scheme 1 have not been included in the fair value of its assets nor the present value of its funded obligations. These policies have not been formally valued. The actuary estimates that the asset and matching liability could be in the region of £9m. Their omission has no impact on the net surplus of the Schemes.

Sandpiper Topco Limited

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Notes (continued)

(forming part of the financial statements)

25 Pensions (continued)

The total pension cost was as follows:

Amounts charged to net finance charges	2019 £'000	2018 £'000
- Expected return on pension scheme assets	354	401
- Interest on pension scheme liabilities	(365)	(414)
Total (charge)/credit to net finance charges	(11)	(13)

Amounts recognised in the Consolidated Statement of Comprehensive Income

	2019 £'000	2018 £'000
Difference between expected return and actual return on pension scheme assets	(104)	517
Experience (loss)/gain arising on the scheme liabilities	604	(527)
Actuarial gain/ (loss) recognised in the statement of consolidated income	500	(10)

History of experience gains and losses

	2019 £'000	2018 £'000	2017 £'000	2016 £'000	2015 £'000
Fair value of Schemes' assets	13,979	14,547	14,468	14,126	15,208
Present value of scheme liabilities	(13,812)	(15,066)	(14,964)	(13,807)	(16,347)
(Deficit)/Surplus in the schemes	167	(519)	(496)	319	(1,139)
Difference between expected and actual return on scheme assets	(104)	517	595	(243)	288
Experience (loss)/gain arising on the scheme liabilities	604	(527)	(1,624)	1,733	(2,703)

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

25 Pensions (continued)

Movement in surplus/(deficit) during the period	2019 £'000	2018 £'000
Opening (deficit) of the schemes	(519)	(496)
Interest on pension scheme liabilities	(365)	(414)
Expected return on pension scheme assets	354	401
Employer contributions	197	-
Actuarial gain/(loss)	500	(10)
Closing surplus/(deficit) of the Schemes	167	(519)
Movement in the schemes' assets during the period	2019 £'000	2018 £'000
Fair value of the Schemes' assets brought forward	14,547	14,468
Benefits paid and expenses (where applicable)	(1,018)	(839)
Expected return on scheme assets	354	401
Employer contributions	200	-
Gain/(loss) on assets in excess of interest	(104)	517
Closing assets of the scheme	13,979	14,547
Movement in the Schemes' liabilities during the period	2019 £'000	2018 £'000
Fair value of the Schemes' liabilities brought forward	(15,066)	(14,964)
Benefits paid and expenses (where applicable)	1,018	839
Interest on pension schemes' liabilities	(365)	(414)
(Loss)/gains on liabilities due to changes in assumptions	601	(527)
Closing liabilities of the schemes	(13,812)	(15,066)
Composition of plan liabilities	2019 £'000	2018 £'000
Schemes wholly or partly funded	(13,812)	(15,066)

Sandpiper Topco Limited

Consolidated Financial Statements for the period ended 26 January 2019

Notes (continued)

(forming part of the financial statements)

26 Financial instruments

The Group's financial instruments may be analysed as follows:

	2019	2018
Group	£'000	£'000
Financial assets measured at amortised cost	11,019	15,894
Financial liabilities measured at amortised cost	49,097	48,873

Financial assets measured at amortised cost comprise cash, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise bank and other loans and overdrafts, trade creditors, other creditors and accruals.

27 Related party disclosures

Key management personnel are comprised of all directors who together have authority and responsibility for planning, directing and controlling the activities of the Group. The compensation paid to key management personnel for services provided to the Group is disclosed in note 5. In addition to the figures in note 5, employer social security contributions of £17,621 (2018: £17,208) were paid in relation to key management personnel.

Jon Ravenscroft is a director of Ravenscroft Limited, which is Investment Manager for Bailiwick Investments Limited, a closed-ended investment company that is a shareholder of the Group.

The loan notes balances disclosed in notes 17 and 18 are owed to shareholders. The notes are fixed rate secured loan notes which expire in 2028 and accrue interest at a rate of 8% per annum. The principal balance is £4,000,000 (2018: £4,000,000) and the amount due as interest on these notes was £148,164 at period end (2018: £1,274,000). No payments were made in respect of these notes in the current period (2018: £Nil). These loan notes were waived after the end of the reporting period as detailed in note 30.

Shareholders were paid dividends totalling £Nil during the period (2018: £1,000,000).

Loan note holders were paid interest of £1,674,785 during the period (2018: £Nil).

The Group leases certain properties from companies owned by a trust, of which one of the Company's shareholders is a beneficiary. Rent payable to these companies was £2,023,596 (2018: £2,023,596).

Two of the Company's Directors are paid an annual fee of £25,000 for acting as Non-Executive Directors, which remains unchanged from the prior period.

Ravenscroft Limited is paid an annual fee of £25,000 for advisory services, which remains unchanged from the prior period.

Sandpiper Topco Limited

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Notes (continued)

(forming part of the financial statements)

28 Principal subsidiaries

The Company is the beneficial owner of all the equity share capital of a number of companies, the principal one being:

Name	Place of incorporation and location of business	Principal activity
Citriche Limited	Jersey	Retail and distribution of consumer goods

The undertaking listed above is a subsidiary undertaking. A full list of subsidiary undertakings is available on application to the Company Secretary.

29 Business combinations

On 20 April 2018 the Group acquired 100% of Liberty Wharf 2 Limited for a total consideration of £11,410,000.

In calculating goodwill arising on the acquisition, the fair value of net assets of Liberty Wharf 2 Limited have been assessed and adjustments from book value have been made where appropriate.

	Period to 26 January 2019
	Book and Fair Value £'000
Total purchase consideration (including expenses of £181,000)	11,410
Investment property	11,375
Cash	82
Debtors	134
Creditors	(228)
Net Assets	11,363
Goodwill	47

The goodwill is being amortised over a useful life of 20 years (see note 1).

The results of the company since acquisition are:

	Period to 26 January 2019 £'000
Rental income (including from Sandpiper Group stores)	978
Profit for the period	973

Sandpiper Topco Limited

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Notes (continued)

(forming part of the financial statements)

29 Business combinations (continued)

On 25 January 2019 the Group acquired 100% of Laura Ashley (Jersey) Limited for a total consideration of £329,000. Laura Ashley (Jersey) Limited is a retailer of home furnishing and fashion.

In calculating goodwill arising on the acquisition, the fair value of the net assets of Laura Ashley (Jersey) Limited have been assessed and adjustments from book value have been made where appropriate.

	Period to 26 January 2019 £'000
Total purchase consideration (including expenses of £23,000)	352
Tangible fixed assets	10
Stock	23
Debtors	1
Creditors	(20)
	<hr/>
Net Assets	14
	<hr/>
Goodwill	338
	<hr/>

The goodwill is being amortised over a useful life of 20 years (see note 1).

Laura Ashley (Jersey) Limited has not traded since acquisition.

30 Events after the end of the reporting period

On 13 March 2019, the Group acquired Nelson House, a commercial property (with residential flats above) in St Peter Port, Guernsey, for a total consideration of £4,871,000 including expenses of £246,000. The property is fully occupied. The Group has an Iceland store based in the property with the remainder of the premises being occupied by third parties.

On 30 April 2019, the Company resolved to waive the £4,000,000 loan notes held by shareholders after payment of interest accrued on the Loan Notes to 30 April 2019 of £246,215. A dividend was also paid to shareholders on 30 April 2019 of £753,784.