

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** Part 2 (*Explanatory Statement*) of this document comprises an explanatory statement in compliance with section 897 of the Companies Act. This document relates to the Acquisition which, if implemented, will result in the cancellation of the listing of Inmarsat Shares on the Official List and of admission to trading of Inmarsat Shares on the London Stock Exchange's main market for listed securities. If you are in any doubt about the Acquisition or the contents of this document or what action you should take, you are recommended to seek your own personal financial, tax and legal advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

If you have sold or otherwise transferred all of your Inmarsat Shares, please send this document, together with any accompanying documents (but not any accompanying personalised documents), and any reply-paid envelope at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, such documents should not be forwarded, distributed or transmitted (in whole or in part) in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws of that jurisdiction.

If you have sold or otherwise transferred only part of your holding of Inmarsat Shares, you should retain these documents and contact the bank, stockbroker or other agent through whom the sale was effected. If you have recently purchased or otherwise acquired Inmarsat Shares, notwithstanding receipt of this document and any accompanying documents from the transferor, you should contact Inmarsat's registrar, Equiniti, on the telephone number set out below to obtain personalised Forms of Proxy.

The release, publication or distribution of this document and the accompanying documents in, into or from jurisdictions other than the United Kingdom or the United States may be restricted by the laws of those jurisdictions and therefore persons into whose possession these documents come should inform themselves about, and observe, such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, Inmarsat and Bidco disclaim any responsibility or liability for the violation of such restrictions by such persons.

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Recommended cash acquisition of

**Inmarsat plc**

by

**Connect Bidco Limited**

a newly incorporated entity owned by a consortium of (i) funds advised by Apax; (ii) funds advised by Warburg Pincus or its affiliates; (iii) CPPIB; and (iv) OTTP

to be implemented by means of a  
Scheme of Arrangement under Part 26 of  
the Companies Act 2006

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Inmarsat Shareholders should read carefully the whole of this document, any information incorporated by reference into this document and the accompanying Forms of Proxy and in the case of holders of certificated shares, the Form of Election. Your attention is drawn to the letter from the Chairman of Inmarsat in Part 1 (*Letter from the Chairman of Inmarsat plc*) of this document, which contains the unanimous recommendation of the Inmarsat Directors that you vote in favour of the Scheme at the Court Meeting and in favour of the Special Resolution to be proposed at the Inmarsat General Meeting. A letter from J.P. Morgan Cazenove, PJT Partners and Credit Suisse explaining the Acquisition in greater detail is set out in Part 2 (*Explanatory Statement*) of this document.

Capitalised words and phrases used in this document shall have the meanings given to them in Part 9 (*Definitions*) of this document.

Notices of the Court Meeting and the Inmarsat General Meeting, both of which are to be held at the offices of Inmarsat at 99 City Road, London EC1Y 1AX on 10 May 2019, are set out at the end of this document. The Court Meeting will start at 2.00 p.m. on that date and the Inmarsat General Meeting will start at 2.15 p.m. (or as soon thereafter as the Court Meeting has been concluded or adjourned).

**The action to be taken by Inmarsat Shareholders in respect of the Court Meeting and Inmarsat General Meeting is set out on pages 8 to 11. Whether or not you intend to be present at the Court Meeting and/or the Inmarsat General Meeting, please complete and sign both Forms of Proxy accompanying this document, blue for the Court Meeting and white for the Inmarsat General Meeting, in accordance with the instructions set out in Part 11 (*Notice of Court Meeting*) and Part 12 (*Notice of General Meeting*) of this document and return them to Inmarsat's registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA as soon as possible, and in any event so as to be received not later than 48 hours (excluding any part of a day that is not a working day) before the relevant meeting. Alternatively, Forms of Proxy for the Court Meeting (but not the Inmarsat General Meeting) may be handed to the Chairman of the Court Meeting or a representative of Equiniti, on behalf of the Chairman of the Court Meeting, before the start of that meeting. You can also submit your proxy electronically at [www.sharevote.co.uk](http://www.sharevote.co.uk), so as to be received by not later than 48 hours (excluding any part of a day that is not a working day) before the relevant meeting. Inmarsat Shareholders who hold Inmarsat Shares in CREST may also appoint a proxy through the CREST electronic proxy appointment service by following the instructions set out on pages 9 and 10 of this document. The return of a completed Form of Proxy, the electronic appointment of a proxy or the submission of a proxy via CREST will not prevent you from attending the Court Meeting and/or the Inmarsat General Meeting and voting in person if you so wish and if you are entitled to do so.**

This document (and any information incorporated into it by reference to another source) is available, subject to any restrictions relating to persons resident in Restricted Jurisdictions, on Inmarsat's website at <https://investors.inmarsat.com/> and on Bidco's website at [www.inmarsatbidcoinfo.com](http://www.inmarsatbidcoinfo.com). Save as expressly referred to in this document, the contents of the websites referred to in this document are not incorporated into and do not form part of this document.

**You may request a hard copy of this document (and any information incorporated into it by reference to another source) by contacting Equiniti at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or between 8.30 a.m. and 5.30 p.m. Monday to Friday (except English and Welsh public holidays) on 0371 384 2849 from within the UK (or on +44 121 415 0264 if calling from outside the UK) with an address to which the hard copy may be sent. Calls from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.**

**A hard copy of this document (and any information incorporated into it by reference to another source) will not be sent to you unless you have previously notified Equiniti that you wish to receive all documents in hard copy form or unless requested in accordance with the procedure set out above.**

If you have any questions about this document, the Court Meeting or the Inmarsat General Meeting or are in any doubt as to how to complete the Forms of Proxy, please call the Inmarsat Shareholder helpline between 8.30 a.m. and 5.30 p.m. Monday to Friday (except English and Welsh public holidays) on 0371 384 2849 from within the UK (or on +44 121 415 0264 if calling from outside the UK). The helpline cannot provide advice on the merits of the Acquisition or give any financial, legal or tax advice. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes.

J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove ("**J.P. Morgan Cazenove**"), is authorised in the United Kingdom by the PRA and regulated by the PRA and the FCA. J.P. Morgan Cazenove is acting as financial adviser exclusively for Inmarsat and no one else in connection with the Acquisition and will not regard any other person as its client in relation to the Acquisition and will not be responsible to anyone other than Inmarsat for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to herein.

PJT Partners (UK) Limited (“**PJT Partners**”), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Inmarsat and no one else in connection with the matters described herein and will not be responsible to anyone other than Inmarsat for providing the protections afforded to clients of PJT Partners or for providing advice in connection with the matters described herein. Neither PJT Partners nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of PJT Partners in connection with this document, any statement contained herein or otherwise.

Credit Suisse International (“**Credit Suisse**”), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as financial adviser exclusively for Inmarsat and no one else in connection with the matters set out in this document and will not be responsible to any person other than Inmarsat for providing the protections afforded to clients of Credit Suisse, nor for providing advice in relation to the content of this document or any matter referred to herein. Neither Credit Suisse nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Credit Suisse in connection with this document, any statement contained herein or otherwise.

UBS AG London Branch (“**UBS**”), which is authorised by the PRA and regulated by the FCA and PRA in the United Kingdom, is acting as financial adviser to Bidco and the Consortium and no one else in connection with the matters set out in this Scheme Document. In connection with such matters, UBS, its affiliates and its or their respective directors, officers, employees and agents will not regard any person other than Bidco and the Consortium as their client, nor will they be responsible to any other person for providing the protections afforded to clients or for providing advice in relation to the contents of this Scheme Document or any other matter referred to herein.

Merrill Lynch International, a subsidiary of Bank of America Corporation (“**Merrill Lynch**”), is acting exclusively for Bidco and the Consortium in connection with the matters referred to in this Scheme Document and will not be responsible to anyone other than Bidco and the Consortium for providing the protections afforded to its clients or for providing advice in relation to the matters described in this document.

Barclays, which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Bidco and the Consortium and no one else in connection with the matters referred to in this document and will not be responsible to anyone other than Bidco and the Consortium for providing the protections afforded to clients of Barclays nor for providing advice in relation to the any matter referred to in this document.

## **IMPORTANT NOTICE**

The statements contained in this document are not to be construed as legal, business, financial or tax advice. If you are in any doubt about the contents of this document, you should consult your own legal adviser, financial adviser or tax adviser for legal, business, financial or tax advice.

No person has been authorised to make any representations on behalf of Inmarsat or Bidco concerning the Acquisition or the Scheme which are inconsistent with the statements contained in this document and any such representations, if made, may not be relied upon as having been so authorised.

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set out in this document since such date. Nothing contained in this document shall be deemed to be a forecast, projection or estimate of the future financial performance of Inmarsat or Bidco except where otherwise expressly stated. Neither Inmarsat nor Bidco intends, or undertakes any obligation, to update information contained in this document, except as required by applicable law, the Takeover Code or other regulation.

### **Information for overseas persons**

The release, publication or distribution of this document in or into jurisdictions other than the United Kingdom or the United States may be restricted by law and therefore persons into whose possession this document comes who are not resident in the United Kingdom or the United States should inform themselves about, and observe,

any applicable restrictions. Inmarsat Shareholders who are in any doubt regarding such matters should consult an appropriate independent adviser in the relevant jurisdiction without delay. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the offer to acquire Inmarsat Shares pursuant to the Acquisition will not be made available, directly or indirectly, in, into or from a jurisdiction where to do so would violate the laws in that jurisdiction. Accordingly, copies of this document and any related documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction, and persons receiving this document and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from Restricted Jurisdictions. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), such Takeover Offer may not be made available, directly or indirectly, into or from a Restricted Jurisdiction.

The availability of the offer to acquire Inmarsat Shares pursuant to the Acquisition to Inmarsat Shareholders who are not resident in and citizens of the United Kingdom or the United States may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom or the United States should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions as failure to comply with such restrictions may constitute a violation of security laws of any such jurisdiction. To the fullest extent permitted by applicable law, the persons and companies involved in the Acquisition disclaim any responsibility for liability for the violation of such restrictions by any person.

This document and the accompanying documents have been prepared in connection with a proposal in relation to a scheme of arrangement pursuant to, and for the purpose of complying with English law, the Takeover Code and the Listing Rules, and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside the United Kingdom. Nothing in this document or the accompanying documents should be relied upon for any other purpose.

#### **Notes to US investors in Inmarsat**

Inmarsat Shareholders in the United States should note that the Acquisition relates to the shares of an English company and is made by means of a scheme of arrangement provided for under, and governed by, the law of England and Wales. Neither the proxy solicitation nor the tender offer rules under the US Securities Exchange Act of 1934, as amended, (the “**US Exchange Act**”) will apply to the Scheme. Moreover, the Scheme is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement (including, without limitation, with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments), which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. However, if Bidco were to elect to implement the Acquisition by means of a Takeover Offer, such Takeover Offer will be made in compliance with all applicable laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder and otherwise in accordance with the requirements of the Takeover Code. Such a takeover would be made in the United States by Bidco and no one else. In addition to any such Takeover Offer, Bidco, certain affiliated companies and the nominees or brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, shares in Inmarsat outside such Takeover Offer before or during the period in which such Takeover Offer would remain open for acceptance. Such purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. If such purchases or arrangements to purchase were to be made, they would be made outside the United States and would comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service of the FCA and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

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

Financial information included in this document has been prepared in accordance with accounting standards applicable in the UK and may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

Inmarsat and Bidco are organised under the laws of England and Wales and Guernsey respectively. All of the officers and directors of Bidco and the majority of officers and directors of Inmarsat are residents of countries other than the United States. It may not be possible to sue Inmarsat and/or Bidco in a non-US court for violations of US securities laws. It may be difficult to compel Inmarsat, Bidco and/or their respective affiliates to subject themselves to the jurisdiction and judgment of a US court.

In accordance with the Takeover Code, normal United Kingdom market practice and Rule 14e-5(b) of the Exchange Act, each of UBS, Merrill Lynch and Barclays and their respective affiliates will continue to act as exempt principal trader in Inmarsat securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Takeover Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com). This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

### **Forward-looking statements**

This document, including information included or incorporated by reference in this document, may contain certain “forward-looking statements”, beliefs or opinions with respect to the financial condition, results of operations and business of Bidco and Inmarsat. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements also often use words such as “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe”, “hope”, “aims”, “continue”, “will”, “may”, “should”, “would”, “could” or other words of similar meaning. These statements are based on assumptions and assessments made by Inmarsat, and/or Bidco, in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this document that could cause actual results and developments to differ materially from those expressed in or implied by them. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given by Inmarsat and Bidco that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Neither Inmarsat nor Bidco assumes any obligation and Inmarsat and Bidco disclaim any intention or obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law or regulation (including under the Listing Rules and the Disclosure Guidance and Transparency Rules of the FCA).

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements is the satisfaction of the conditions, as well as additional factors such as changes in global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions. Such forward-looking statements should therefore be construed in the light of such factors. Neither Bidco nor Inmarsat, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur.

### **Profit forecasts, estimates or quantified benefits statements**

Save for the Inmarsat Profit Forecast, no statement in this document is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this document should be interpreted to mean that earnings or earnings per share for Inmarsat for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Inmarsat.

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

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must

contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

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

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

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

### **Rounding**

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

### **Electronic communications**

Please be aware that addresses, electronic addresses and certain information provided by Inmarsat Shareholders, persons with information rights and other relevant persons for the receipt of communications from Inmarsat may be provided to Bidco during the Offer Period as requested under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

### **Scheme process**

In accordance with section 5 of Appendix 7 of the Takeover Code, Inmarsat will announce through a Regulatory Information Service key events in the Scheme process including the outcomes of the Court Meeting, the Inmarsat General Meeting and the Court Hearing.

Unless otherwise consented to by the Takeover Panel, any revision to the Scheme will be made no later than the date which is 14 days prior to the Court Meeting and the Inmarsat General Meeting (or any later date to which such meetings are adjourned).

In accordance with section 11 of Appendix 7 of the Takeover Code, if the Scheme lapses or is withdrawn all documents of title and any other documents lodged will be returned as soon as practicable and in any event within 14 days of such lapsing or withdrawal.

### **Date**

This document is published on 18 April 2019.

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## ACTION TO BE TAKEN

The Court Meeting and the Inmarsat General Meeting will be held at the offices of Inmarsat at 99 City Road, London EC1Y 1AX, on 10 May 2019 at 2.00 p.m. and 2.15 p.m., respectively (or, in the case of the Inmarsat General Meeting, as soon thereafter as the Court Meeting has been concluded or adjourned). The Scheme requires approval at both of these meetings.

### **Please check you have received the following with this document:**

- a blue Form of Proxy for use in respect of the Court Meeting on 10 May 2019; and
- a white Form of Proxy for use in respect of the Inmarsat General Meeting on 10 May 2019.

### ***Inmarsat Shareholders who hold Inmarsat Shares in certificated form***

Please check that you have received (in addition to the Forms of Proxy listed above):

- a green Form of Election for use in connection with the making of a Currency Election.

**If you have not received these documents, please contact Inmarsat's registrar, Equiniti, on the shareholder helpline referred to below.**

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the opinion of Scheme Shareholders. You are therefore strongly urged to complete, sign and return your Forms of Proxy (or appoint a proxy online or through the CREST electronic proxy appointment service) as soon as possible.**

**Therefore, whether or not you plan to attend the Inmarsat Shareholder Meetings, please complete and sign both the enclosed blue and white Forms of Proxy and return them in accordance with the instructions provided thereon as soon as possible, but in any event so as to be received by:**

- **no later than 2.00 p.m. on 8 May 2019 in the case of the Court Meeting (blue form); and**
- **by no later than 2.15 p.m. on 8 May 2019 in the case of the Inmarsat General Meeting (white form),**

**or, in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting.**

This will enable your votes to be counted at the Inmarsat Shareholder Meetings in the event of your absence. Forms of Proxy returned by fax will not be accepted. If the blue Form of Proxy for use at the Court Meeting is not lodged by 2.00 p.m. on 8 May 2019, it may be handed to the Chairman of the Court Meeting or a representative of Equiniti, on behalf of the Chairman of the Court Meeting, before the start of that meeting. However, in the case of the Inmarsat General Meeting, unless the white Form of Proxy is lodged so as to be received by the time mentioned above, it will be invalid.

### **(a) Sending Forms of Proxy by post or by hand**

Please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them, either (i) by post, or (ii) during normal business hours only, by hand, to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to be received as soon as possible and in any event not later than the relevant time set out below:

Blue Forms of Proxy for the Court Meeting	2.00 p.m. on 8 May 2019
White Forms of Proxy for the Inmarsat General Meeting	2.15 p.m. on 8 May 2019

or, if either of the Inmarsat Shareholder Meetings is adjourned, the relevant Form of Proxy should be received not later than 48 hours (excluding non-working days) before the time fixed for such adjourned Inmarsat Shareholder Meeting. If the blue Form of Proxy is signed under power of attorney or other authority, such power of attorney or other authority, or a duly certified copy thereof, should be returned to Equiniti along with the blue Form of Proxy.



If the blue Form of Proxy for the Court Meeting is not returned by such time, it may be handed to the Chairman of the Court Meeting, or to a representative of Equiniti, on behalf of the Chairman of the Court Meeting, before the start of the Court Meeting, together with any power of attorney or other authority, if any, under which it is signed, or a duly certified copy thereof. However, in the case of the Inmarsat General Meeting, the white Form of Proxy must be received by Equiniti by the time mentioned above, or it will be invalid.

Inmarsat Shareholders are entitled to appoint a proxy in respect of some or all of their Inmarsat Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. Inmarsat Shareholders who wish to appoint more than one proxy in respect of their holding of Inmarsat Shares should contact Equiniti for further Forms of Proxy or photocopy the Forms of Proxy as required.

Completion and return of a Form of Proxy, or the appointment of a proxy electronically using CREST (or any other procedure described below), will not prevent you from attending, speaking and voting in person at either the Court Meeting or the Inmarsat General Meeting, or any adjournment thereof, if you wish and are entitled to do so.

**(b) Online appointment of proxies**

As an alternative to completing and returning the printed Forms of Proxy, proxies may be appointed electronically by logging on to the following website [www.sharevote.co.uk](http://www.sharevote.co.uk) and following the instructions there. For an electronic proxy appointment to be valid, the appointment must be received by Equiniti not later than the relevant time set out below:

Blue Forms of Proxy for the Court Meeting	2.00 p.m. on 8 May 2019
White Forms of Proxy for the Inmarsat General Meeting	2.15 p.m. on 8 May 2019

or, if in the case that either of the Inmarsat Shareholder Meetings is adjourned, the relevant Form of Proxy should be received not later than 48 hours (excluding non-working days) before the time fixed for such adjourned Inmarsat Shareholder Meeting.

In the case of the Court Meeting only, if you have not appointed a proxy electronically by such time, you may complete the blue Form of Proxy and hand it to the Chairman of the Court Meeting or a representative of Equiniti before the start of the Court Meeting.

**(c) Electronic appointment of proxies through CREST**

If you hold Inmarsat Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Inmarsat Shareholder Meetings (or any adjourned Inmarsat Shareholder Meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual (please also refer to the accompanying notes to the notices of the Inmarsat Shareholder Meetings set out in Part 11 (*Notice of Court Meeting*) and Part 12 (*Notice of General Meeting*) of this document). CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Equiniti (CREST participant ID RA19) not less than 48 hours (excluding non-working days) before the time fixed for the Court Meeting or Inmarsat General Meeting (or such adjourned Inmarsat Shareholder Meeting), as applicable. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST application host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal

system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by a particular time. CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning the practical limitations of the CREST system and timings.

Inmarsat may treat as invalid a CREST Proxy Instruction in the circumstances set out in the Regulations.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, including any Scheme Shareholders who did not vote or who voted against the Scheme at the Court Meeting.

(d) **Currency Elections**

***Currency Elections by Inmarsat Shareholders holding Inmarsat Shares in certificated form***

**Unless they validly elect otherwise, each Inmarsat Shareholder who holds Inmarsat Shares in certificated form as at the Scheme Record Time will receive the Cash Consideration which is payable to them under the Scheme in US dollars.** Such Inmarsat Shareholders may elect to have the Cash Consideration which is payable to them under the Scheme paid in Sterling at the Average Market Exchange Rate obtained by Bidco through one or more market transactions over one or more Business Days following the Scheme Record Time before the relevant payment date under the Currency Conversion Facility, by completing and returning the green Form of Election.

***Currency Elections by Inmarsat Shareholders holding Inmarsat Shares in uncertificated form (that is, in CREST)***

**Unless they validly elect otherwise, each Inmarsat Shareholder who holds Inmarsat Shares in uncertificated form (that is, in CREST) at the Scheme Record Time will receive the Cash Consideration which is payable to them under the Scheme in US dollars.** Such Inmarsat Shareholders may elect to have the Cash Consideration which is payable to them under the Scheme paid in Sterling at the Average Market Exchange Rate obtained by Bidco through one or more market transactions over one or more Business Days following the Scheme Record Time before the relevant payment date under the Currency Conversion Facility (by making the relevant TTE Instruction through CREST).

Each Inmarsat Shareholder who holds Inmarsat Shares in uncertificated form at the Scheme Record Time and does not make a valid Currency Election must ensure that an active US dollar Cash Memorandum Account is in place in CREST by no later than the Scheme Record Time. In the absence of a US dollar Cash Memorandum Account, the payment of the Cash Consideration will not settle, resulting in a delay and the settlement of the Cash Consideration outside of CREST.

**The latest time for Equiniti to receive your Form of Election will be 6.00 p.m. on the day of the Court Hearing (which is currently expected to take place during the fourth quarter of 2019).** You should allow sufficient time for posting for your Form of Election to be received.

**The latest time for receipt of a TTE Instruction through CREST (applicable only for Inmarsat Shareholders who hold their Inmarsat Shares in uncertificated form and who wish to make an election under the Currency Conversion Facility) will be 6.00 p.m. on the day of the Court Hearing (which is currently expected to take place during the fourth quarter of 2019).**

The Election Return Time will be determined by the date of the Court Hearing (which remains to be set but is currently expected to take place during the fourth quarter of 2019). For technical reasons, it will not be possible to send TTE Instructions to Euroclear before the date of the Court Hearing is known and the Completion timetable is announced. Once the date of the Court Hearing is set, the Company will announce the Election Return Time via a Regulatory Information Service (with such announcement being made available on Inmarsat's and Bidco's websites at <https://investors.inmarsat.com/> and [www.inmarsatbidcoinfo.com](http://www.inmarsatbidcoinfo.com) respectively, and communicated to Scheme Shareholders at around the same date as such announcement) and an appropriate event will be set up by Euroclear in CREST. It will be possible for TTE Instructions to be sent to Euroclear from such time onwards until the Election Return Time.

***Deadline for submission***

Any changes to the Election Return Time (the latest time for Equiniti to receive your Form of Election or for a TTE Instruction to be received) will be announced by Inmarsat through a Regulatory Information Service, with such announcement being made available on Inmarsat's website at <https://investors.inmarsat.com/> and Bidco's website at [www.inmarsatbidcoinfo.com](http://www.inmarsatbidcoinfo.com), and communicated to Inmarsat Shareholders at around the same date as such announcement.

**Further details about how to submit your Form of Election or make your TTE Instruction are set out in Part 7 (*Notes for making Elections*) of this document.**

**Inmarsat Shareholder Helpline**

If you have any queries, please call the Inmarsat Shareholder Helpline between 8.30 a.m. and 5.30 p.m. Monday to Friday (except English and Welsh public holidays) on 0371 384 2849 from within the UK (or on +44 121 415 0264 if calling from outside the UK). Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that Equiniti cannot provide advice on the merits of the Acquisition or give any financial, legal or tax advice.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

All references in this document to times are to times in London (unless otherwise stated).

All times and dates are indicative only and will depend, among other things, on the date upon which the Court sanctions the Scheme and the date on which the Conditions are satisfied or, if capable of waiver, waived. The timetable is also dependent on the date on which the Court Order sanctioning the Scheme is delivered to the Registrar of Companies. **Inmarsat will give notice of the change(s) by issuing an announcement through a Regulatory Information Service and, if required by the Panel, post notice of the change(s) to Inmarsat Shareholders and persons with information rights.**

<i>Event</i>	<i>Time/date</i>
<b>Publication of this document</b>	18 April 2019
<b>Latest time for lodging Forms of Proxy for the:</b>	
Court Meeting (blue Form of Proxy)	2.00 p.m. on 8 May 2019 <sup>(1)</sup>
Inmarsat General Meeting (white Form of Proxy)	2.15 p.m. on 8 May 2019 <sup>(2)</sup>
<b>Voting Record Time:</b>	6.30 p.m. on 8 May 2019 <sup>(3)</sup>
Court Meeting	2.00 p.m. on 10 May 2019
Inmarsat General Meeting	2.15 p.m. on 10 May 2019 <sup>(4)</sup>
<i>Certain of the following dates are subject to change (please see the note above):</i>	
Court Hearing to sanction the Scheme	A date expected to fall in the fourth quarter of 2019 (“D”)
Last day of dealings in, and for registration of transfers of, and disablement in CREST of, Inmarsat Shares	D
Latest time for receipt of green Form of Election or TTE Instructions and disablement of Inmarsat Shares in CREST	6.00 p.m. on D
Scheme Record Time	6.00 p.m. on D
Suspension of trading in Inmarsat Shares	around 7.30 a.m. on D+1
Effective Date of the Scheme	D+1
Delisting of Inmarsat Shares	By 8.00 a.m. on D+2
Latest date for despatch of US dollar or Sterling cheques in respect of Cash Consideration and for settlement of Cash Consideration through CREST in US dollar or Sterling or other form of payment	Within 14 days of the Effective Date
Long Stop Date	10 December 2019 unless the Regulatory Conditions have not been satisfied and/or waived, and Completion has not occurred, in each case by 10 December 2019, in which case it shall be 13 March 2020 <sup>(5)</sup>

**The Court Meeting and the Inmarsat General Meeting will each be held at the offices of Inmarsat at 99 City Road, London EC1Y 1AX.**

- (1) It is requested that blue Forms of Proxy for the Court Meeting be lodged before 2.00 p.m. on 8 May 2019 or, if the Court Meeting is adjourned, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the holding of the adjourned meeting. However, blue Forms of Proxy not so lodged may be handed to the Chairman of the Court Meeting or a representative of Equiniti before the start of the Court Meeting.
- (2) White Forms of Proxy for the Inmarsat General Meeting must be lodged before 2.15 p.m. on 8 May 2019 in order to be valid or, if the Inmarsat General Meeting is adjourned, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the holding of the adjourned meeting. White Forms of Proxy cannot be handed to the Chairman of the Inmarsat General Meeting at that meeting.
- (3) If either of the Inmarsat Shareholder Meetings is adjourned, the Voting Record Time for the relevant adjourned meeting will be 6.30 p.m. on the date two Business Days before the date which is set for the adjourned meeting.
- (4) Or as soon thereafter as the Court Meeting has been concluded or adjourned.
- (5) This date may be extended to such date as Inmarsat and Bidco may, with the consent of the Panel, agree and the Court (if required) may allow.

**PART 1**  
**LETTER FROM THE CHAIRMAN OF**  
**INMARSAT PLC**



*Directors:*

Andrew Sukawaty (*Chairman*)  
Rupert Pearce (*Chief Executive Officer*)  
Tony Bates (*Chief Financial Officer*)  
Simon Bax (*Independent Non-Executive Director*)  
Sir Bryan Carsberg (*Non-Independent Non-Executive Director*)  
Tracy Clarke (*Independent Non-Executive Director*)  
Warren Finegold (*Independent Non-Executive Director*)  
General C. Robert Kehler (Rtd) (*Independent Non-Executive Director*)  
Phillipa McCrostie (*Independent Non-Executive Director*)  
Ambassador Janice Obuchowski (*Independent Non-Executive Director*)  
Dr Abraham Peled (*Senior Independent Non-Executive Director*)  
Robert Ruijter (*Independent Non-Executive Director*)  
Dr Hamadoun Touré (*Independent Non-Executive Director*)

*Registered office:*

99 City Road  
London  
EC1Y 1AX

Incorporated in England  
and Wales with registered  
number 04886072

18 April 2019

*To all Inmarsat Shareholders and, for information only, to participants in the Inmarsat Share Plans, holders of Inmarsat Convertible Bonds and persons with information rights*

Dear Shareholder,

**RECOMMENDED CASH ACQUISITION OF INMARSAT**  
**BY CONNECT BIDCO LIMITED,**  
**A NEWLY INCORPORATED ENTITY OWNED BY A CONSORTIUM OF (I) FUNDS**  
**ADVISED BY APAX; (II) FUNDS ADVISED BY WARBURG PINCUS OR**  
**ITS AFFILIATES; (III) CPPIB; AND (IV) OTTP**

**1. Introduction**

On 25 March 2019, the boards of Inmarsat and Bidco announced that they had agreed the terms of a recommended acquisition of the entire issued and to be issued ordinary share capital of Inmarsat by Bidco to be implemented by way of a Court-sanctioned scheme of arrangement of Inmarsat under Part 26 of the Companies Act, which requires the approval of Inmarsat Shareholders and the sanction of the Court.

Bidco is a newly incorporated entity owned by a consortium of (i) funds advised by Apax (the “**Apax Funds**”); (ii) funds advised by Warburg Pincus or its affiliates (the “**Warburg Pincus Funds**”); (iii) Canada Pension Plan Investment Board (“**CPPIB**”); and (iv) Ontario Teachers’ Pension Plan Board (“**OTPP**”). With effect from 4 April 2019, Bidco changed its legal name from “Triton Bidco (Guernsey) Limited” to “Connect Bidco Limited”.

I am writing to you on behalf of the Inmarsat Board to explain the background to, and reasons for, the recommendation of the Acquisition and to describe the action you should now take. For the reasons set out below, the Inmarsat Board supports the Acquisition and unanimously recommends that you vote in favour of the Scheme at the Court Meeting and the Special Resolution at the Inmarsat General Meeting.

Further information in relation to the Court Meeting and the Inmarsat General Meeting is contained in paragraph 10 below and in paragraph 14 of Part 2 (*Explanatory Statement*) of this document.

The Scheme is subject to a number of Conditions which are set out in Part 3 (*Conditions to and Further Terms of the Acquisition*). It is expected that the Scheme will become Effective during the fourth quarter of 2019 subject to the satisfaction or (where applicable) waiver of all relevant Conditions.

## 2. Summary of the terms of the Acquisition

Under the terms of the Acquisition, which will be subject to the Conditions and the further terms set out in Part 3 (*Conditions to and Further Terms of the Acquisition*) of this document, Scheme Shareholders who are entitled to the Final Dividend (as defined below) and who are on the register of members of Inmarsat at the Scheme Record Time will be entitled to receive:

### **\$7.21 per Inmarsat Share (the “Cash Value”)**

comprising a cash consideration of \$7.09 (the “**Cash Consideration**”) for each Scheme Share plus the previously announced final dividend of \$0.12 per Inmarsat Share to be paid on 30 May 2019 to Inmarsat Shareholders on the register as at the close of business on 23 April 2019 (the “**Final Dividend**”). Scheme Shareholders who are not entitled to receive the Final Dividend shall receive the Cash Consideration under the Acquisition in respect of their Scheme Shares.

The Cash Value values the entire issued and to be issued ordinary share capital of Inmarsat at approximately \$3.4 billion, which is equivalent to:

- £2.6 billion based on the Announcement Exchange Rate; and
- £2.6 billion based on the Latest Practicable Date Exchange Rate.

The Sterling equivalent value of the Cash Value, being 546 pence per Inmarsat Share based on the Announcement Exchange Rate, represents an illustrative premium of:

- 46 per cent. to the Closing Price of 375 pence per Inmarsat Share on 30 January 2019 (being the Business Day prior to Bidco submitting its non-binding proposal to Inmarsat);
- 45 per cent. to the Closing Price of 377 pence per Inmarsat Share on 27 February 2019 (being the Business Day prior to press speculation on 28 February 2019 relating to a potential offer for Inmarsat);
- 27 per cent. to the Closing Price of 431 pence per Inmarsat Share on 18 March 2019 (being the Business Day before the commencement of the Offer Period); and
- 35 per cent. to the volume-weighted average price of 404 pence per Inmarsat Share for the three-month period ended 18 March 2019 (being the Business Day before the commencement of the Offer Period).

The Currency Conversion Facility is being made available to Inmarsat Shareholders pursuant to which they will be able to elect (subject to the terms and conditions of the facility) to receive the Cash Consideration in Sterling at the Average Market Exchange Rate obtained by Bidco through one or more market transactions over one or more Business Days following the Scheme Record Time before the relevant payment date. Further details of the Currency Conversion Facility and the election to be made by Inmarsat Shareholders wishing to receive their Cash Consideration in Sterling are set out in paragraph 3 of Part 2 (*Explanatory Statement*) and Part 7 (*Notes for Making Currency Elections*) of this document. On the basis of the Announcement Exchange Rate, the Cash Consideration implies an equivalent value of 537 pence per Inmarsat Share. For any Inmarsat Shareholder electing to be paid their Cash Consideration in Sterling pursuant to the Currency Conversion Facility, the amount per Inmarsat Share received may, depending on the prevailing exchange rate, result in a payment below or above 537 pence per Inmarsat Share.

## 3. Background to, and reasons for, the Acquisition

Bidco believes that the satellite sector is attractive, with unique characteristics, including long lead times and the need for deep technical expertise, while operators in the sector require strategic management and a long investment horizon. Bidco believes that integrated satellite operators with scale like Inmarsat are well-positioned as network provision becomes more complex.

While Inmarsat’s end markets, notably maritime and government, are competitive, Bidco believes Inmarsat is well-positioned for growth based on its unique global infrastructure, leading technological and capacity roadmap and strong spectrum holdings. In particular, Bidco believes that Inmarsat’s business model is characterised by predictable revenues from a range of long-term contracts with governments and other financially secure customers. Bidco also sees considerable potential for Inmarsat’s in-flight connectivity business in commercial aviation and in seeking to maximise global IoT opportunities.

However, Bidco recognises Inmarsat is going through a multi-year investment cycle to capitalise on its growth opportunities, with utilisation and returns difficult to predict. To support this growth story, Bidco intends to leverage the experience of its shareholders as investors in the satellite sector and broader

telecommunications space to assist Inmarsat during this critical phase in its business development. This will allow Inmarsat to focus on the effective management of its business and delivering on its potential during its current investment phase.

#### 4. **Background to, and reasons for, the recommendation**

Inmarsat is a world-leading provider of global mobile satellite communications with a first-class reputation for connectivity services and value-added solutions. The Inmarsat Board is confident in the long-term prospects of the business. In particular, the Inmarsat Board believes that Inmarsat's existing strategy, including its seeking a strong position in the growing market for commercial airline cabin connectivity, should continue to generate attractive returns on investment for Inmarsat Shareholders. However, the investments are expected to generate these returns over a moderately lengthy period and to involve negative cash flows in their early years, including expenditures on next generation satellite networks and increases in operating expenses. Furthermore, while Inmarsat has a number of potential growth opportunities, it is also the case that it has a number of challenges (such as the impact of additional capacity and new technologies) which are driving disruption in some of Inmarsat's end markets, as has been seen recently in the Maritime segment. The Inmarsat Board believes that these features of Inmarsat's investment case have, in particular, led to an undisturbed share price that did not fully reflect the long-term value of Inmarsat.

The Inmarsat Board believes that implementation of Inmarsat's existing strategy would continue to generate significant value for Inmarsat Shareholders as an independent company, however there are risks involved in implementation of what is a longer-term, capital-intensive strategy. The offer from Bidco would allow Inmarsat Shareholders the opportunity to realise, in cash in the near term, the value of their holdings in Inmarsat at a material premium to the undisturbed share price.

The Inmarsat Board has taken into account, *inter alia*, the following:

- the factors summarised above, including the significant ongoing capital expenditure requirements and the timing uncertainties inherent in parts of Inmarsat's strategy;
- the performance of Inmarsat's share price relative to Inmarsat's underlying financial performance and long-term prospects; and
- the Sterling equivalent value of the Cash Value, being 546 pence per Inmarsat Share based on the Announcement Exchange Rate, represents:
  - an illustrative premium of 27 per cent. to the Closing Price of 431 pence per Inmarsat Share on 18 March 2019 (being the Business Day before the commencement of the Offer Period);
  - an illustrative premium of 35 per cent. to the volume-weighted average price of 404 pence per Inmarsat Share for the three-month period ended 18 March 2019 (being the Business Day before the commencement of the Offer Period); and
  - a value of £2.6 billion for the entire issued and to be issued ordinary share capital of Inmarsat.

Accordingly, following careful consideration of the above factors, the Inmarsat Board believes that Inmarsat Shareholders should have the opportunity to approve the Acquisition and unanimously recommends Bidco's offer to Inmarsat Shareholders.

#### 5. **Inmarsat Board's views on Bidco's strategic plans and intentions with regard to Inmarsat Directors, management, employees, research and development and locations**

Your attention is drawn to Bidco's strategic plans and intention statements for Inmarsat following Completion, as set out in paragraph 9 of Part 2 (*Explanatory Statement*) of this document.

The Inmarsat Board welcomes Bidco's statement that it intends to support Inmarsat and its employees in executing management's existing strategy, including supporting the development and growth of Inmarsat's Maritime, Aviation, Enterprise and Government businesses. The Inmarsat Board further appreciates Bidco's statement that it understands the importance of R&D to Inmarsat's ability to continue to develop reliable and high-quality services for its customers and end-users and that it intends for Inmarsat to maintain a level of expenditure on R&D consistent with its past practice. The Inmarsat Board is also pleased to note Bidco's statement that it intends to ensure that Inmarsat will comply in full with its obligations under the Public Services Agreement with IMSO in respect of the provision of the Global Maritime Distress and Safety System.



The Inmarsat Board is pleased to acknowledge Bidco's supportive statement that it recognises the importance and value of the skills and experience of the existing management and employees of Inmarsat and that it believes that they will be a key factor in maximising the success of Inmarsat following the Scheme becoming Effective.

Bidco has given assurances to the Inmarsat Board that, following the Scheme becoming Effective, the existing contractual and statutory employment rights, including in relation to pensions, of all Inmarsat employees and management will be fully safeguarded in accordance with applicable law. Bidco has stated that it does not intend to make any material changes to the conditions of employment or make any changes to the current employer pension contribution arrangements or the accrual of benefits for existing members in respect of Inmarsat's UK defined benefit pension scheme.

The Inmarsat Board notes that, following Completion, Bidco intends to work with Inmarsat management to complete a full evaluation of the Inmarsat Group, which will consider both the short and long-term objectives of the business.

The Inmarsat Board recognises that, once Inmarsat ceases to be a listed company, a limited number of PLC-related functions may be reduced in scope or become unnecessary. The Inmarsat Board further notes Bidco's statement that it has not yet developed proposals as to how any such headcount reductions will be implemented, but that it intends to work with Inmarsat's management to identify the extent to which individuals involved in those functions may be reassigned to other appropriate roles within Inmarsat prior to or with effect from Completion. Whilst any headcount reductions are regrettable, the Inmarsat Board is pleased to note Bidco's confirmation that its intention is for any individuals impacted to be treated in a manner consistent with Inmarsat's high standards, culture and practices.

The Inmarsat Board notes Bidco's statement that save as set out above in respect of a limited number of PLC-related functions, Bidco does not expect any material change in the balance of skills and functions of employees and management of Inmarsat.

The Inmarsat Board notes that Bidco intends that Inmarsat will continue to operate as a standalone business group following Completion. The Inmarsat Board views as positive Bidco's statement that it does not intend to make any material restructurings or changes in the location of Inmarsat's headquarters and headquarter functions (save for the potential reduction of PLC-related functions described above), and intends to maintain such headquarters in the UK.

Your attention is also drawn to the opinion of the Inmarsat Staff Forum, set out in Part 13 (*Inmarsat UK Staff Representatives' Opinion*) of this document.

## **6. Irrevocable undertakings**

### ***Inmarsat Directors***

Bidco has received irrevocable undertakings from the Inmarsat Directors who hold Inmarsat Shares to vote, and in the case of their spouses, to procure that such persons vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Inmarsat General Meeting in respect of all of the Inmarsat Shares of which they, or their spouses, are sole beneficial holders or in which they are solely interested totalling 2,545,695 Inmarsat Shares, representing, in aggregate, approximately 0.55 per cent. of Inmarsat's issued share capital at close of business on the Latest Practicable Date.

These irrevocable undertakings remain binding if a competing offer for Inmarsat is made but will cease to be binding on the date on which the Acquisition is withdrawn or lapses in accordance with its terms.

### ***Inmarsat Shareholders***

Bidco has also received an irrevocable undertaking from Lansdowne Partners to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Inmarsat General Meeting in respect of their entire beneficial holdings and those of their subsidiaries of 52,885,881 Inmarsat Shares, representing, in aggregate, approximately 11.4 per cent. of Inmarsat's issued share capital at close of business on the Latest Practicable Date.

Further details of these irrevocable undertakings, including the circumstances in which they may lapse, are set out in paragraph 7 of Part 6 (*Additional Information*) of this document.

## 7. Dividends

In accordance with the terms of the Inmarsat Scrip Dividend Scheme, a committee of the Inmarsat Board resolved with effect from the date of the Press Announcement to suspend the Inmarsat Scrip Dividend Scheme indefinitely, including in relation to the Final Dividend. Accordingly, any Inmarsat Shareholders who had elected to participate in the Inmarsat Scrip Dividend Scheme shall receive cash rather than Inmarsat Shares in respect of the Final Dividend and any other dividends.

Save for the Final Dividend, if any dividend and/or other distribution and/or other return of capital is proposed, announced, authorised, declared, made, paid or becomes payable by Inmarsat in respect of Inmarsat Shares on or after the date of the Press Announcement and before the Effective Date, Bidco reserves the right to reduce the Cash Consideration by an amount equal to the aggregate amount of such dividend and/or other distribution and/or other return of capital, as applicable, in which case the relevant eligible Inmarsat Shareholders will be entitled to receive and retain such dividend, other distribution and/or other return of capital. If such dividend, other distribution and/or other return of capital is denominated in any currency other than US dollars, it shall for the purposes of determining the relevant reduction be converted to US dollars using such exchange rate as Bidco shall determine, acting reasonably.

If any such dividend, other distribution or other return of capital is paid or made by Inmarsat after the date of the Press Announcement and Bidco exercises its rights described above, any reference to the Cash Consideration payable under the Scheme shall be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme.

## 8. Inmarsat Share Plans

Information relating to the effect of the Acquisition on participants in the Inmarsat Share Plans is set out in paragraph 11 of Part 2 (*Explanatory Statement*) of this document. Inmarsat Share Plan participants will be contacted separately regarding the effect of the Acquisition on their rights under the Inmarsat Share Plans and details of Bidco's appropriate proposals in accordance with Rule 15 of the Takeover Code.

## 9. Inmarsat Convertible Bonds

Information relating to the effect of the Acquisition on the holders of the Inmarsat Convertible Bonds is set out in paragraph 12 of Part 2 (*Explanatory Statement*) of this document. Holders of the Inmarsat Convertible Bonds will be contacted separately regarding the details of Bidco's appropriate proposals in accordance with Rule 15 of the Takeover Code.

## 10. Scheme and the Inmarsat Shareholder Meetings

It is intended that the Acquisition will be implemented by means of a scheme of arrangement between Inmarsat and its shareholders under Part 26 of the Companies Act (although Bidco reserves the right to effect the Acquisition by way of a Takeover Offer). The Scheme is an arrangement between Inmarsat and Scheme Shareholders and is subject to the approval of the Court.

The purpose of the Scheme is to provide for Bidco to become the holder of the entire issued and to be issued ordinary share capital of Inmarsat. This is to be achieved by the transfer of the Scheme Shares to Bidco, in consideration for which the Scheme Shareholders will receive the Cash Consideration from Bidco on the basis set out in paragraph 2 of this letter.

The Scheme requires the approval of a majority in number of those Scheme Shareholders who are present and voting, either in person or by proxy, and who represent not less than 75 per cent. in value of the Scheme Shares voted by such Scheme Shareholders at the Court Meeting.

Implementation of the Scheme will also require the passing of the Special Resolution which requires the approval of Inmarsat Shareholders representing at least 75 per cent. of the votes cast, either in person or by proxy, at the Inmarsat General Meeting, which will be held immediately after the Court Meeting.

It is expected that the Scheme will become Effective during the fourth quarter of 2019 subject to the satisfaction or (where applicable) waiver of all the relevant Conditions.

You are strongly encouraged to vote at both Inmarsat Shareholder Meetings in person or by proxy.

Further details of the Scheme and the Inmarsat Shareholder Meetings are set out in paragraph 14 of Part 2 (*Explanatory Statement*).

#### 11. **Delisting and re-registration**

Prior to the Scheme becoming Effective, applications will be made to the FCA for the cancellation of the listing of the Inmarsat Shares on the Official List and to the London Stock Exchange for the cancellation of the admission to trading of Inmarsat Shares on the Main Market. It is expected that such de-listing and cancellation of admission to trading would take effect on or shortly after the Effective Date.

The last day of dealings in Inmarsat Shares on the Main Market of the London Stock Exchange is expected to be the date of the Court Hearing and no transfers will be registered after 6.00 p.m. (London time) on that date.

On the Effective Date, share certificates in respect of Inmarsat Shares will cease to be valid and should be destroyed. In addition, entitlements to Inmarsat Shares held within the CREST system will be disabled.

Bidco intends, as soon as reasonably practicable following the Effective Date, to re-register Inmarsat as a private company under the relevant provisions of the Companies Act.

#### 12. **United Kingdom taxation**

Your attention is drawn to paragraph 5 of Part 6 (*Additional Information*) of this document which contains a summary of certain UK tax-related information relevant to certain Scheme Shareholders.

#### 13. **Overseas Shareholders**

Overseas Shareholders should refer to paragraph 17 of Part 2 (*Explanatory Statement*) of this document.

#### 14. **Action to be taken**

Notices convening the Court Meeting and the Inmarsat General Meeting are set out at the end of this document. You will find enclosed with this document a blue Form of Proxy for use at the Court Meeting and a white Form of Proxy for use at the Inmarsat General Meeting.

**Whether or not you intend to be present at either meeting, you are requested to complete and return both the enclosed Forms of Proxy for the Court Meeting (blue form) and for the Inmarsat General Meeting (white form) in accordance with the instructions printed on the forms, make an electronic appointment of a proxy or submit a proxy via CREST as soon as possible.**

Further details in relation to the action to be taken by Inmarsat Shareholders is set out in paragraph 19 of Part 2 (*Explanatory Statement*) of this document.

#### 15. **Further information**

Your attention is drawn to (i) the letter from J.P. Morgan Cazenove, PJT Partners and Credit Suisse set out in Part 2 (*Explanatory Statement*) of this document (being the explanatory statement made in compliance with section 897 of the Companies Act), which gives further details about the Acquisition, (ii) the Conditions to the Acquisition which are set out in full in Part 3 (*Conditions to and Further Terms of the Acquisition*) of this document, and (iii) the terms of the Scheme that are set out in full in Part 10 (*The Scheme of Arrangement*) of this document.

**Please note that reading the information in this letter is not a substitute for reading the remainder of this document.**

A copy of this document (and all information incorporated into this document by reference to another source) and the Forms of Proxy will be available, subject to certain restrictions relating to Overseas Shareholders in Restricted Jurisdictions, for inspection on (as applicable) Inmarsat's website at <https://investors.inmarsat.com/> and Bidco's website at [www.inmarsatbidcoinfo.com](http://www.inmarsatbidcoinfo.com).

## 16. Recommendation

The Inmarsat Directors, who have been so advised by J.P. Morgan Cazenove, PJT Partners and Credit Suisse as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their financial advice to the Inmarsat Directors, J.P. Morgan Cazenove, PJT Partners and Credit Suisse have taken into account the commercial assessments of the Inmarsat Directors. PJT Partners is providing independent financial advice to the Inmarsat Directors for the purposes of Rule 3 of the Takeover Code.

In addition, the Inmarsat Directors believe that the terms of the Acquisition are in the best interests of Inmarsat Shareholders as a whole and accordingly unanimously recommend that Inmarsat Shareholders vote or procure votes in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Inmarsat General Meeting as the Inmarsat Directors who hold Inmarsat Shares have irrevocably undertaken to do in respect of their own beneficial shareholdings in Inmarsat, and have undertaken to procure in respect of the beneficial holdings of their spouses, which amount in aggregate to 2,545,695 Inmarsat Shares, representing approximately 0.55 per cent. of Inmarsat's issued share capital at close of business on the Latest Practicable Date.

Yours faithfully,



**Andrew Sukawaty**

*Chairman*

**PART 2**  
**EXPLANATORY STATEMENT**

**J.P. Morgan Securities plc**  
25 Bank Street, Canary Wharf,  
London E14 5JP

**PJT Partners (UK) Limited**  
One Curzon Street  
London W1J 5HD

**Credit Suisse International**  
One Cabot Square  
London E14 4QJ

18 April 2019

*To all Inmarsat Shareholders and, for information only, to participants in the Inmarsat Share Plans, holders of Inmarsat Convertible Bonds and persons with information rights*

Dear Shareholder,

**RECOMMENDED CASH ACQUISITION OF INMARSAT  
BY CONNECT BIDCO LIMITED,  
A NEWLY INCORPORATED ENTITY OWNED BY A CONSORTIUM OF (I) FUNDS  
ADVISED BY APAX; (II) FUNDS ADVISED BY WARBURG PINCUS OR  
ITS AFFILIATES; (III) CPPIB; AND (IV) OTTP**

**1. Introduction**

On 25 March 2019, the boards of Inmarsat and Bidco announced that they had agreed the terms of a recommended acquisition of the entire issued and to be issued ordinary share capital of Inmarsat by Bidco to be implemented by way of a Court-sanctioned scheme of arrangement of Inmarsat under Part 26 of the Companies Act, which requires the approval of Inmarsat Shareholders and the sanction of the Court.

The Inmarsat Board has been advised by J.P. Morgan Cazenove, PJT Partners and Credit Suisse in connection with the financial terms of the Acquisition. We have been authorised by the Inmarsat Board to write to you to explain the terms of the Acquisition and to provide you with other relevant information.

**Your attention is drawn to the letter from the Chairman of Inmarsat, Andrew Sukawaty, set out in Part 1 (*Letter from the Chairman of Inmarsat plc*) of this document, which forms part of this Explanatory Statement. That letter contains, among other things, information on the background to and reasons for the Acquisition and the unanimous recommendation by the Inmarsat Board to Scheme Shareholders to vote in favour of the Scheme and the Special Resolution to approve and implement the Acquisition to be proposed at the Inmarsat Shareholder Meetings.**

**Your attention is also drawn to Part 3 (*Conditions to and Further Terms of the Acquisition*), Part 4 (*Financial Information and Ratings*), Part 5 (*Inmarsat Profit Forecast*) and Part 6 (*Additional Information*). The Scheme is set out in full in Part 10 (*The Scheme of Arrangement*) of this document.**

Inmarsat Shareholders should read the whole of this document before deciding whether or not to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Inmarsat General Meeting.

**2. Summary of the terms of the Acquisition**

The Acquisition is to be effected by way of a scheme of arrangement under Part 26 of the Companies Act, which requires the approval of relevant Inmarsat Shareholders and the sanction of the Court.

Under the terms of the Acquisition, which will be subject to the Conditions and the further terms set out in Part 3 (*Conditions to and Further Terms of the Acquisition*) of this document, Scheme Shareholders who are entitled to the Final Dividend (as defined below) and who are on the register of members of Inmarsat at the Scheme Record Time will be entitled to receive:

**\$7.21 per Inmarsat Share (the “Cash Value”)**

comprising a cash consideration of \$7.09 (the “**Cash Consideration**”) for each Scheme Share plus the previously announced final dividend of \$0.12 per Inmarsat Share to be paid on 30 May 2019 to Scheme Shareholders on the register as at the close of business on 23 April 2019 (the “**Final Dividend**”). Inmarsat Shareholders who are not entitled to receive the Final Dividend shall receive the Cash Consideration under the Acquisition in respect of their Scheme Shares.

The Cash Value values the entire issued and to be issued ordinary share capital of Inmarsat at approximately \$3.4 billion, which is equivalent to:

- £2.6 billion based on the Announcement Exchange Rate; and
- £2.6 billion based on the Latest Practicable Date Exchange Rate.

The Sterling equivalent value of the Cash Value, being 546 pence per Inmarsat Share based on the Announcement Exchange Rate, represents an illustrative premium of:

- 46 per cent. to the Closing Price of 375 pence per Inmarsat Share on 30 January 2019 (being the Business Day prior to the Consortium submitting its non-binding proposal to Inmarsat);
- 45 per cent. to the Closing Price of 377 pence per Inmarsat Share on 27 February 2019 (being the Business Day prior to press speculation on 28 February 2019 relating to a potential offer for Inmarsat);
- 27 per cent. to the Closing Price of 431 pence per Inmarsat Share on 18 March 2019 (being the Business Day before the commencement of the Offer Period); and
- 35 per cent. to the volume-weighted average price of 404 pence per Inmarsat Share for the three-month period ended 18 March 2019 (being the Business Day before the commencement of the Offer Period).

### 3. The Currency Conversion Facility

The Currency Conversion Facility is being made available to Inmarsat Shareholders pursuant to which they will be able to elect (subject to the terms and conditions of the facility) to receive the Cash Consideration in Sterling at the Average Market Exchange Rate obtained by Bidco through one or more market transactions over one or more Business Days following the Scheme Record Time before the relevant payment date.

Where an Inmarsat Shareholder has made a valid Currency Election to receive the Cash Consideration in Sterling under the Currency Conversion Facility, the Cash Consideration due to such holder in respect of their Scheme Shares in accordance with the terms of the Scheme will be paid in Sterling at the Average Market Exchange Rate obtained by Bidco through one or more market transactions over one or more Business Days following the Scheme Record Time before the relevant payment date.

Bidco intends to obtain the amount of Sterling required to satisfy Currency Elections through one or more market transactions carried out over one or more Business Days following the Scheme Record Time. The number of transactions, time period required, exchange rate obtained and level of transaction and dealing costs associated with the conversion will depend on market conditions and the number of Inmarsat Shares in respect of which a valid Currency Election is made. However, Bidco will use all reasonable endeavours to obtain the best rate reasonably available in the market (including taking account of the size of the transactions and the time frames within which they are to be executed) at the relevant times and to ensure that the applicable transaction and dealing costs are on arm's-length market terms. The Average Market Exchange Rate obtained by Bidco will be applied such that all Inmarsat Shareholders who have made a Currency Election will receive the same amount of Sterling for each of their Inmarsat Shares. On the basis of the Announcement Exchange Rate, the Cash Consideration implies an equivalent value of 537 pence per Inmarsat Share. For any Inmarsat Shareholder electing to be paid their Cash Consideration in Sterling, pursuant to the Currency Conversion Facility, the amount per Inmarsat Share received may, depending on the prevailing exchange rate, result in a payment below or above 537 pence per Inmarsat Share.

Further information on how to make a Currency Election is included in Part 7 (*Notes for making Currency Elections*) of this document, which sets out in detail how to make such election and the deadline by which it must be made.

### 4. Inmarsat's current trading and prospects

On 7 March 2019, Inmarsat announced its unaudited financial results for the year ended 31 December 2018 (the "2018 Full Year Results Announcement"). Key highlights included:

- "2018 group revenue (ex Ligado) increased by \$71.6m, or 5.7%, to \$1,334.5m, including \$26.6m increase in Q4;
- 2018 group EBITDA (ex Ligado) increased by \$27.0m, or 4.4%, to \$639.5m, including \$23.3m increase in Q4, reflecting growth in revenue and absence of further restructuring charges;

- 2018 group profit after tax: down \$60.0m (32.4%) to \$125.0m, with higher EBITDA more than offset by higher depreciation; and
- further development of technology roadmap: GX-5 and I-6 satellite programmes on track, new lower cost, higher functionality network architecture in development to drive meaningful moderation in capex from 2021”.

On 27 March 2019, Inmarsat published its 2018 Annual Report, which includes the audited financial statements for the year ended 31 December 2018. Financial information relating to Inmarsat, including the 2018 financial statements, which are incorporated by reference herein, is set out in Part 4 (*Financial Information and Ratings*) of this document.

### ***Profit Forecast***

The 2018 Full Year Results Announcement included the following statement:

- “A target of mid-single digit percentage revenue growth on average **over the five year period, 2018 to 2022, with EBITDA and free cash flow generation improving steadily**<sup>1</sup>”

The emboldened part of this statement constitutes an ordinary course profit forecast for the purposes of Rule 28.1 of the Takeover Code (the “**Inmarsat Profit Forecast**”). Your attention is drawn to Part 5 (*Inmarsat Profit Forecast*) of this document which sets out the details of the Inmarsat Profit Forecast, the basis of preparation and assumptions, and the confirmation of the Inmarsat Directors in respect thereof.

## **5. Information on the Inmarsat Group**

Inmarsat is a leading provider of mobile satellite services, providing data and voice connectivity to end-users worldwide, with 40 years of experience in designing, launching and operating satellite-based networks. Inmarsat has an in-orbit fleet of 13 owned and operated satellites in geostationary orbit and provides a comprehensive portfolio of global mobile satellite communications services for customers on the move or in remote areas for use on land, at sea and in the air.

These services include broadband data and voice services, which support safety communications, standard office applications such as email, internet, secure VPN access and video conferencing and, increasingly with respect to broadband services, more advanced commercial applications. Inmarsat’s global sales and marketing activities are operated through four market-facing business units: Maritime, Aviation, Enterprise and Government. Each business unit focuses on its specific customer markets and distributes its products both through distributors and directly.

Inmarsat was formed in 1979 as an international governmental organisation under treaty, with an initial objective to provide communications and safety services to ships at sea. Inmarsat was established with a mandate to operate profitably and to generate returns on the invested capital. In 1999, Inmarsat was privatised and became a private limited company under English law. In June 2005, Inmarsat completed an initial public offering and listed its ordinary shares on the London Stock Exchange.

Inmarsat’s strategy is to deliver on its purpose of “enabling the connected world” by meeting the remote and mobile connectivity needs of its customers, giving them what they need to connect reliably, securely and globally.

## **6. Information on Apax, Warburg Pincus, CPPIB, OTPP and Bidco**

### ***Apax***

Apax is a leading global private equity advisory firm. Over its more than 40-year history, Apax has raised and advised funds with aggregate commitments of approximately \$50 billion. The Apax Funds invest in companies across four global sectors of Tech & Telco, Services, Healthcare and Consumer. These funds provide long-term equity financing to build and strengthen world-class companies.

### ***Warburg Pincus***

Warburg Pincus is a leading global private equity firm focused on growth investing. The firm has more than \$43 billion in private equity assets under management. The firm’s active portfolio of more than 180

<sup>1</sup> Excluding any impact of ongoing exceptional tax enquiries with the tax authorities which are substantially provided for. In the event that all such enquiries were settled entirely in favour of the authorities, the Inmarsat Group would incur a cash tax outflow of c.\$115m, excluding interest.

companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 17 private equity funds, which have invested more than \$73 billion in over 855 companies in more than 40 countries.

### ***CPPIB***

CPPIB is a professional investment management organization that invests the funds transferred to it not needed by the Canada Pension Plan (“**CPP**”) to pay current benefits in the best interests of 20 million contributors and beneficiaries. In order to build a diversified portfolio, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York City, São Paulo and Sydney, CPPIB is governed and managed independently of the CPP and at arm’s length from governments. At 31 December 2018, the CPP Fund totalled C\$368.5 billion.

### ***OTPP***

OTPP is Canada’s largest single-profession pension plan, with \$191.1 billion in net assets at 31 December 2018. It holds a diverse global portfolio of assets, approximately 80 per cent. of which is managed in-house, and has earned an annual total-fund net return of 9.7 per cent. since the plan’s founding in 1990 to 31 December 2017. OTPP is an independent organization headquartered in Toronto. Its Asia-Pacific region office is located in Hong Kong and its Europe, Middle East & Africa region office is in London. The defined-benefit plan, which is fully funded, invests and administers the pensions of the province of Ontario’s 327,000 active and retired teachers.

### ***Bidco***

Bidco is a newly incorporated private limited company, formed under the laws of Guernsey (and tax resident in the UK) on behalf of, and which is owned by, the Consortium (each member of the Consortium owns 25 per cent. of Bidco), for the purpose of implementing the Acquisition. With effect from 4 April 2019, Bidco changed its legal name from “Triton Bidco (Guernsey) Limited” to “Connect Bidco Limited”. Bidco has not traded since the date of its incorporation nor has it entered into any obligation other than in connection with the Acquisition.

## **7. Financial effects of the Acquisition on Bidco**

Bidco has no material assets or liabilities other than those described in this document in connection with the Acquisition and the financing of the Acquisition. With effect from the Effective Date, the earnings, assets and liabilities of Bidco will therefore comprise the consolidated earnings, assets and liabilities of Inmarsat on the Effective Date.

## **8. Financing arrangements**

The Cash Consideration payable to Inmarsat Shareholders pursuant to the Acquisition will be financed by a combination of equity to be invested by the Apax Funds, the Warburg Pincus Funds, CPPIB and OTPP and debt to be provided under an Interim Facilities Agreement.

In connection with their equity financing of Bidco, the Apax Funds, the Warburg Pincus Funds, CPPIB and OTPP have each entered into the Equity Commitment Letter. The members of the Consortium may syndicate part of their funding commitments, subject to the terms of the Co-operation Agreement.

UBS, as lead financial adviser to Bidco and the Consortium, is satisfied that cash resources available to Bidco are sufficient to enable it to satisfy in full the Cash Consideration payable to Inmarsat Shareholders under the terms of the Acquisition.

Further information on the financing arrangements is set out in paragraph 8 of Part 6 (*Additional Information*) of this document.

## **9. Directors, management, employees, research and development and locations**

Bidco has worked closely with Inmarsat management to understand the key areas of their strategy and plans for the business. Following Completion of the Acquisition, Bidco intends to support Inmarsat and its employees in executing management’s existing strategy, including supporting the development and growth of Inmarsat’s Maritime, Aviation, Enterprise and Government businesses.



Following Completion of the Acquisition, Bidco intends to work with Inmarsat management to complete a full evaluation of the Inmarsat Group and its strategy, technology, operations and organisational structure, which will consider both the short and long-term objectives of the business. The evaluation will focus on all aspects of the Inmarsat business and the opportunities available to it, including:

- reviewing the existing strategy of each of Inmarsat's four divisions, their markets, customers and product offerings;
- identifying existing and new growth and development opportunities to drive additional profitable growth;
- continuing the transformation and simplification of the Inmarsat business that Inmarsat management have been pursuing over the past few years, and considering any potential additional actions to further this project, including a review of third-party professional fees and procurement optimisation;
- reinforcing and further developing the strong technical knowledge of the organisation that underpins Inmarsat's leadership role in the satellite mobility markets; and
- assessing potential acquisitions that support Inmarsat's overall strategy.

Bidco recognises the importance and value of the skills and experience of the existing management and employees of Inmarsat and believes that they will be a key factor in maximising the success of Inmarsat following the Scheme becoming Effective.

Bidco understands that the on-going relationship between the employee representative body, the management team and the Inmarsat Board is very positive and it hopes that it will be able to maintain this positive relationship. In due course, Bidco very much looks forward to engaging in discussions with the employee representative body and understands the various HR initiatives that the Company has recently put in place, alongside a focus on staff training and development, have been embraced and welcomed by the employees.

Once Inmarsat ceases to be a listed company, a limited number of PLC-related functions may be reduced in scope or become unnecessary. Bidco has not yet developed proposals as to how any such headcount reductions will be implemented, but intends to work with Inmarsat's management to identify the extent to which individuals involved in those functions may be reassigned to other appropriate roles within Inmarsat prior to or with effect from the Scheme becoming Effective. Bidco confirms that the intention is for any individuals impacted to be treated in a manner consistent with Inmarsat's high standards, culture and practices.

The non-executive Directors of Inmarsat are expected to resign as Inmarsat Directors upon the Scheme becoming Effective.

Save as set out above in respect of a limited number of PLC-related functions, Bidco does not expect any material change in the balance of skills and functions of employees and management of Inmarsat.

### ***Existing rights and pensions***

Bidco confirms that following the Scheme becoming Effective, the existing contractual and statutory employment rights, including in relation to pensions, of all Inmarsat employees and management will be fully safeguarded in accordance with applicable law. Bidco does not intend to make any material changes to the conditions of employment.

Inmarsat's defined UK benefit pension scheme is well-funded and, as at 31 December 2018, was in surplus on an IAS19 basis. This defined benefit pension scheme is closed to new members and future accruals. Bidco does not intend to make any changes to the current employer pension contribution arrangements, or the accrued benefits for existing members in relation to the defined benefit section of the UK Pension Scheme or to the rights of admission of new members to the defined contribution section of the UK Pension Scheme.

### ***Management incentivisation arrangements***

Bidco has not entered into, and has not had any discussions on any form of incentivisation or other arrangements with members of Inmarsat's management. It is the intention to put in place appropriate arrangements for the management of Inmarsat following Completion of the Acquisition.

### ***Research and development***

Bidco understands the importance of R&D to Inmarsat's ability to continue to develop reliable and high-quality services for its customers and end-users and, intends for Inmarsat to maintain a level of expenditure on R&D consistent with its past practice.

Bidco also intends to ensure that Inmarsat will comply in full with its obligations under the Public Services Agreement with IMSO in respect of the provision of the Global Maritime Distress and Safety System.

### ***Headquarters***

Following Completion, Bidco intends that Inmarsat will continue to operate as a standalone business group. Bidco does not intend to make any material restructurings or changes in location of Inmarsat's headquarters and headquarter functions (save for the potential reduction of PLC-related functions described above), and intends to maintain such headquarters in the UK.

Bidco has no intention to redeploy the fixed assets of Inmarsat.

## **10. Dividends**

In accordance with the terms of the Inmarsat Scrip Dividend Scheme, a committee of the Inmarsat Board resolved with effect from the date of the Press Announcement to suspend the Inmarsat Scrip Dividend Scheme indefinitely, including in relation to the Final Dividend. Accordingly, any Inmarsat Shareholders who had elected to participate in the Inmarsat Scrip Dividend Scheme shall receive cash rather than Inmarsat Shares in respect of the Final Dividend and any other dividends.

Save for the Final Dividend, if any dividend and/or other distribution and/or other return of capital is proposed, announced, authorised, declared, made, paid or becomes payable by Inmarsat in respect of Inmarsat Shares on or after the date of the Press Announcement and before the Effective Date, Bidco reserves the right to reduce the Cash Consideration by an amount equal to the aggregate amount of such dividend and/or other distribution and/or other return of capital, as applicable, in which case the relevant eligible Inmarsat Shareholders will be entitled to receive and retain such dividend, other distribution and/or other return of capital. If such dividend, other distribution and/or other return of capital is denominated in any currency other than US dollars, it shall for the purposes of determining the relevant reduction be converted to US dollars using such exchange rate as Bidco shall determine, acting reasonably.

If any such dividend, other distribution or other return of capital is paid or made by Inmarsat after the date of the Press Announcement and Bidco exercises its rights described above, any reference to the Cash Consideration payable under the Scheme shall be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme.

## **11. Inmarsat Share Plans**

Inmarsat Share Plan participants will be contacted separately regarding the effect of the Acquisition on their rights under the Inmarsat Share Plans and with details of Bidco's appropriate proposals in accordance with Rule 15 of the Takeover Code. A summary of the effect of the Acquisition on options and awards ("**Awards**") under the Inmarsat Share Plans is set out below.

The Acquisition will extend to any Inmarsat Shares which are unconditionally allotted, issued or transferred out of the Inmarsat Employees' Share Ownership Plan Trust at or before the Scheme Record Time, including those allotted, issued or transferred to satisfy the exercise or vesting of Awards under the Inmarsat Share Plans.

The Scheme will not extend to Inmarsat Shares issued after the Scheme Record Time. However, it is proposed to amend the Inmarsat Articles at the Inmarsat General Meeting to provide that, if the Acquisition becomes Effective, any Inmarsat Shares issued to any person other than Bidco or its nominees after the Scheme Record Time (including in satisfaction of the exercise or vesting of Awards under one of the Inmarsat Share Plans) will be automatically transferred to Bidco in consideration for the payment by Bidco to such persons of an amount equal to the Cash Consideration for each Inmarsat Share so transferred.

Further information in respect of the proposed amendments to the Inmarsat Articles is contained in the Notice of General Meeting at Part 12 (*Notice of General Meeting*) of this document.

### **The Inmarsat Executive Share Plan ("ESP")**

Awards granted under the ESP which are unvested immediately before the Court Sanction Date will vest on the Court Sanction Date on the basis determined by Inmarsat's remuneration committee in accordance with the ESP rules.

### **The Inmarsat 2014 Sharesave Plan and Inmarsat 2014 International Sharesave Plan (“SAYE”)**

Awards granted under the SAYE which are unvested immediately before the Court Sanction Date will vest and become exercisable on the Court Sanction Date in accordance with the SAYE rules to the extent of the savings made by participants on the exercise date. Awards will remain exercisable for a period of six months from the Court Sanction Date unless they lapse earlier in accordance with the rules of the SAYE. When Awards are exercised, Inmarsat Shares received will, depending on the timing of exercise and delivery of Inmarsat Shares, either participate in the Scheme (on the same terms as for other Inmarsat Shareholders) or be acquired by Bidco under the Amended Inmarsat Articles (for an amount equal to the Cash Consideration for each Inmarsat Share) as described above.

Bidco will make an *ex gratia* payment to those participants who exercise their Awards under the SAYE on the Court Sanction Date or during the exercise period permitted under the SAYE rules which shall be equal to the difference between the exercise price per Inmarsat Share and the Cash Consideration for each Inmarsat Share multiplied by the additional number of Inmarsat Shares the participant would have acquired if he/she had continued his/her savings contract linked to his/her Award for an additional six months.

### **The Inmarsat Employee Stock Purchase Plan (“ESPP”)**

The Court Sanction Date will be deemed to be the purchase date for all Awards granted under the ESPP that have not reached their purchase date before the Court Sanction Date, and ESPP participants’ savings will be used to purchase Inmarsat Shares so that they participate in the Scheme (on the same terms as for other Inmarsat Shareholders).

Bidco will make an *ex gratia* payment to those participants who purchase Inmarsat Shares under the ESPP on the Court Sanction Date which shall be equal to the difference between the purchase price per Inmarsat Share and the Cash Consideration for each Inmarsat Share multiplied by the additional number of Inmarsat Shares the participant would have acquired if he/she had continued to make his/her payroll deductions for an additional six months.

### **The Inmarsat 2014 Share Incentive Plan (“SIP”)**

Inmarsat Shares held in the SIP trust will participate in the Scheme (on the same terms as for other Inmarsat Shareholders).

## **12. Inmarsat Convertible Bonds**

The Acquisition will extend to any Inmarsat Shares unconditionally allotted or issued or unconditionally allotted and fully paid (or credited as fully paid) pursuant to a valid conversion of the Inmarsat Convertible Bonds before the Scheme Record Time.

To the extent that such Inmarsat Convertible Bonds are not converted, appropriate proposals will be made in due course to holders of the Inmarsat Convertible Bonds. The cash consideration payable to holders of Inmarsat Convertible Bonds under the Convertible Bond Offer will be determined, amongst other things, by reference to (i) the Cash Consideration and (ii) the amount of cash and the number of Inmarsat Shares which the holders of Inmarsat Convertible Bonds would have been entitled to receive on conversion following a Change of Control (as defined in the trust deed governing the Convertible Bonds) plus, in certain circumstances, an accrued interest amount. The Convertible Bond Offer will be conditional upon the Scheme becoming Effective.

Bidco has reserved the right to adjust the terms of the Convertible Bond Offer if, prior to the Effective Date, Inmarsat takes any action which results in, or would result in, any other adjustment to the conversion price of the Inmarsat Convertible Bonds.

The document containing the full terms and conditions of the Convertible Bond Offer will be made available to holders of the Inmarsat Convertible Bonds as soon as reasonably practicable after the issue of this document. Holders of Inmarsat Convertible Bonds must read such document in full because it, and not this Scheme Document, will define their rights under the Convertible Bond Offer.

## **13. Inmarsat Directors and the effect of the Scheme on their interests**

Details of the interests of the Inmarsat Directors in Inmarsat Shares and options and awards and awards under the Inmarsat Share Plans are set out in paragraph 4 of Part 6 (*Additional Information*) of this document.

Details of the irrevocable undertakings that Bidco has received from the Inmarsat Directors who hold Inmarsat Shares are set out in paragraph 15 of this Part 2 and paragraph 7 of Part 6 (*Additional Information*) of this document.

Particulars of the service contracts (including termination provisions and arrangements) and letters of appointment of the Inmarsat Directors are set out in paragraph 11 of Part 6 (*Additional Information*) of this document.

Bidco has not entered into, and has not had any discussions on any form of incentivisation or other arrangements with members of Inmarsat's management. It is Bidco's intention to put in place appropriate arrangements for the management of Inmarsat following Completion of the Acquisition. The non-executive Directors of Inmarsat are expected to resign as Inmarsat Directors upon the Scheme becoming Effective.

Save as set out above, the effect of the Scheme on the interests of the Inmarsat Directors does not differ from its effect on like interests of any other Inmarsat Shareholder.

#### 14. Description of the Scheme and the Inmarsat Shareholder Meetings

##### (a) The Scheme

It is intended that the Acquisition will be effected by way of the Scheme. The Scheme is an arrangement between Inmarsat and the Scheme Shareholders under Part 26 of the Companies Act. This involves an application by Inmarsat to the Court to sanction the Scheme pursuant to which the Scheme Shares will be transferred to Bidco, in consideration for which Scheme Shareholders on the register of members of Inmarsat at the Scheme Record Time will receive the Cash Consideration from Bidco on the basis set out in paragraphs 2 and 3 of this Part 2. The transfer of the Scheme Shares to Bidco, provided for in the Scheme, will result in all of the Inmarsat Shares being held by Bidco.

Prior to the Scheme Record Time, Inmarsat may allot and issue Inmarsat Shares pursuant to the exercise or vesting of Awards under the Inmarsat Share Plans. Other than any Inmarsat Shares allotted and issued in accordance with the terms of the Inmarsat Convertible Bond (and any such issued shares will be acquired by Bidco under the Amended Inmarsat Articles for an amount equal to the Cash Consideration for each Inmarsat Share), Inmarsat will not issue any shares after the Scheme Record Time until the Scheme has become Effective.

It is expected that the Scheme will become Effective during the fourth quarter of 2019 subject to the satisfaction or (where applicable) waiver of all the relevant Conditions.

##### (b) Inmarsat Shareholder approvals

The Acquisition is subject to the approval of Scheme Shareholders by the passing of a resolution at the Court Meeting. At the Court Meeting, voting will be by poll and not a show of hands and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held. This resolution must be approved by a majority in number of the holders of Scheme Shares present and voting, either in person or by proxy, representing not less than 75 per cent. in value of the Scheme Shares held by such holders.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the opinion of Scheme Shareholders. You are therefore strongly urged to complete and return your Forms of Proxy, make an electronic appointment of a proxy or submit a proxy via CREST as soon as possible. The completion and return of the Forms of Proxy will not prevent you from attending, voting and speaking at the Court Meeting or any adjournment thereof, in person if you are entitled to do so.**

In addition, the Scheme will require the approval of Inmarsat Shareholders at the Inmarsat General Meeting. The Inmarsat General Meeting has been convened to consider and, if thought fit, to pass the Special Resolution (which requires a vote in favour of not less than 75 per cent. of the votes cast, whether in person or by proxy) to approve the Acquisition and the adoption of certain amendments to the Inmarsat Articles in the manner described in sub-paragraph (d) below.

Voting on the Special Resolution will be by poll. Each Inmarsat Shareholder present in person or by proxy will be entitled to one vote for every Inmarsat Share held.

Entitlement to attend, speak and vote at these meetings and the number of votes which may be cast at the meetings will be determined by reference to the register of members of Inmarsat at the Voting

Record Time. All Inmarsat Shareholders whose names appear on the register of members of Inmarsat at 6.30 p.m. on 8 May 2019 or, if either the Court Meeting or the Inmarsat General Meeting is adjourned, on the register of members at 6.30 p.m. on the date two Business Days before the date set for the adjourned meeting, shall be entitled to attend and speak and vote at the relevant meeting in respect of the number of Inmarsat Shares registered in their name at the relevant time.

**You will find the notices of the Court Meeting and the Inmarsat General Meeting set out in Parts 11 (*Notice of Court Meeting*) and 12 (*Notice of General Meeting*) of this document.**

If you are in any doubt as to whether or not you are permitted to vote at either the Court Meeting or the Inmarsat General Meeting or have any questions in relation to this document, the Inmarsat Shareholder Meetings or the completion and return of the Forms of Proxy, please contact Inmarsat's registrar, Equiniti, using the contact information set out in the section entitled "Action to be taken" on pages 8 to 11 of this document.

Inmarsat will announce the details of the votes at the Inmarsat Shareholder Meetings as required under the Takeover Code through an RIS as soon as practicable after the conclusion of the Inmarsat Shareholder Meetings and, in any event, by no later than 8.00 a.m. (London time) on the Business Day following the Inmarsat Shareholder Meetings.

**(c) Court Hearing**

The Court Hearing to sanction the Scheme is currently expected to take place during the fourth quarter of 2019, subject to obtaining relevant competition and regulatory clearances. Inmarsat will give notice of the date and time of the Court Hearing, once known, by issuing an announcement through an RIS. All Inmarsat Shareholders are entitled to attend the Court Hearing in person or through counsel to support or oppose the sanctioning of the Scheme.

The Scheme will become Effective as soon as a copy of the Court Order has been delivered to the Registrar of Companies. This is currently expected to occur during the fourth quarter of 2019. It is intended that Inmarsat will become a private limited company as soon as possible following this time.

Inmarsat and/or Bidco will make an announcement through an RIS as soon as practicable following the Scheme becoming Effective.

**If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, including any Scheme Shareholders who did not vote to approve the Scheme or who voted against the Scheme at the Court Meeting.**

**Unless the Scheme becomes Effective by the Long Stop Date, the Scheme will not become Effective and the Acquisition will not proceed.**

**(d) Amendment to the Inmarsat Articles**

The Special Resolution contains provisions to amend the Inmarsat Articles to ensure that any Inmarsat Shares issued (other than to Bidco, its nominees or subsidiaries) (i) between the Inmarsat General Meeting and the Scheme Record Time will be subject to the Scheme; and (ii) after the Scheme Record Time will automatically be acquired by Bidco on the same terms as under the Scheme. These provisions will avoid any person (other than Bidco) holding Inmarsat Shares after dealings in such shares have ceased on the London Stock Exchange.

**(e) Modifications to the Scheme**

The Scheme contains a provision for Inmarsat and Bidco to consent on behalf of all persons concerned to any modification of, or addition to, the Scheme or to any condition approved or imposed by the Court. The Court would be unlikely to approve any modification of, or additions to, or impose a condition to the Scheme which might be material to the interests of the Scheme Shareholders unless Scheme Shareholders were informed of such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in these circumstances.

(f) **Conditions**

The Scheme is subject to the Conditions, including, among other things:

- (i) the receipt of relevant clearances from competition authorities in Austria, China, Germany, Russia, the United Kingdom and the United States, in addition to certain foreign investment and other regulatory clearances including in Australia, Germany, India, Italy, Russia and CFIUS in the United States;
- (ii) the Scheme becoming Effective by not later than the Long Stop Date;
- (iii) the approval of the Scheme at the Court Meeting and the passing of the Special Resolution at the Inmarsat General Meeting; and
- (iv) the sanction of the Scheme by the Court.

The Acquisition can only become Effective if all Conditions, including those described above, have been satisfied or, if capable of waiver, waived. If any Condition is not capable of being satisfied by the date specified therein, Bidco shall make an announcement through a Regulatory Information Service as soon as practicable and, in any event, by no later than 8.00 a.m. on the Business Day following the date so specified, stating whether Bidco has invoked that Condition, waived that Condition or, with the agreement of Inmarsat, specified a new date by which that Condition must be satisfied.

(g) **Alternative means of implementing the Acquisition**

Bidco has reserved the right, subject to the prior consent of the Panel and the terms of the Co-operation Agreement, to elect to implement the Acquisition by way of a Takeover Offer, in which case additional documents will be required to be sent to Inmarsat Shareholders. In such event, the Takeover Offer will (unless otherwise consented to by Inmarsat or required by the Panel) be implemented on the same terms and conditions (subject to appropriate amendments, including an acceptance condition set at 75 per cent. of the Inmarsat Shares to which such Takeover Offer relates or such lesser percentage as Bidco may, with the consent of the Panel (if required) decide) as those which would apply to the Scheme.

(h) **Offer-related arrangements**

Summaries of the offer-related arrangements entered into in connection with the Acquisition are set out in paragraph 9 of Part 6 (*Additional Information*) of this document. These agreements have been made available on Bidco's website, [www.inmarsatbidcoinfo.com](http://www.inmarsatbidcoinfo.com), and on Inmarsat's website, <https://investors.inmarsat.com/>.

**15. Irrevocable undertakings to vote in favour of the Acquisition**

***Inmarsat Directors***

Bidco has received irrevocable undertakings from the Inmarsat Directors who hold Inmarsat Shares to vote, and in the case of their spouses, to procure that such persons vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Inmarsat General Meeting in respect of all of the Inmarsat Shares of which they, or their spouses, are sole beneficial holders or in which they are solely interested totalling 2,545,695 Inmarsat Shares, representing, in aggregate, approximately 0.55 per cent. of Inmarsat's issued share capital at close of business on the Latest Practicable Date.

These irrevocable undertakings remain binding if a competing offer for Inmarsat is made but will cease to be binding on the date on which the Acquisition is withdrawn or lapses in accordance with its terms.

***Inmarsat Shareholders***

Bidco has also received an irrevocable undertaking from Lansdowne Partners to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Inmarsat General Meeting in respect of their entire beneficial holdings and those of their subsidiaries of 52,885,881 Inmarsat Shares, representing, in aggregate, approximately 11.4 per cent. of Inmarsat's issued share capital at close of business on the Latest Practicable Date.

Further details of these irrevocable undertakings, including the circumstances in which they may lapse, are set out in paragraph 7 of Part 6 (*Additional Information*) of this document.

## 16. Dealing, de-listing and settlement

Dealings in Inmarsat Shares on the London Stock Exchange are currently expected to cease at the close of business on the Court Sanction Date and no transfers of Inmarsat Shares will be registered after this time. Prior to the Effective Date, Inmarsat will apply to the FCA for the listing of the Inmarsat Shares to be cancelled and for the Inmarsat Shares to cease to be admitted to trading on the London Stock Exchange's Main Market for listed securities. Such cancellation is expected to take effect on or shortly after the Effective Date. On the Effective Date, share certificates in respect of Inmarsat Shares will cease to be valid and entitlements to Inmarsat Shares held within the CREST system will be cancelled.

Subject to the Scheme becoming Effective, settlement of the consideration to which any Scheme Shareholder is entitled under the Scheme will be effected in the manner described below.

### (a) Scheme Shares in uncertificated form

The Cash Consideration due under the Scheme to Scheme Shareholders who hold their Scheme Shares in uncertificated form at the Scheme Record Time will be paid by Bidco within 14 calendar days or within such other time period as may be approved by the Panel by procuring that Euroclear is instructed to create an assured payment obligation in favour of the relevant Scheme Shareholder's payment bank through CREST. The currency of such cash payments will be in accordance with the Currency Elections made by such Scheme Shareholders (the ability to make Currency Elections being described at paragraph 3 of this Part 2).

Each Scheme Shareholder who holds Scheme Shares in uncertificated form at the Scheme Record Time and does not make a valid Currency Election must ensure that an active US dollar Cash Memorandum Account is in place in CREST by no later than the Scheme Record Time. In the absence of a US dollar Cash Memorandum Account, the payment of the Cash Consideration in US dollars will not settle, resulting in a delay and the settlement of the Cash Consideration outside of CREST.

As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST will be disabled and all Scheme Shares will be removed from CREST in due course.

Bidco reserves the right to pay any cash consideration to all or any Scheme Shareholders who hold Scheme Shares in uncertificated form at the Scheme Record Time in the manner referred to in sub-paragraph (b) below if, for any reason outside its control, it is not able to effect settlement in accordance with this sub-paragraph (a) or if it otherwise wishes to do so.

### (b) Scheme Shares in certificated form

Where, at the Scheme Record Time, a Scheme Shareholder holds Scheme Shares in certificated form, except with the consent of the Panel, settlement of Cash Consideration to which the Inmarsat Scheme Shareholder is entitled will be paid in US dollars or Sterling by a cheque drawn on a branch of a clearing bank in the United Kingdom, provided that if the amount payable to any such Scheme Shareholder exceeds \$1 million (or the equivalent amount in Sterling), Bidco reserves the right to make arrangements with such Scheme Shareholder to facilitate electronic payment of such amount in lieu of a cheque.

The currency of such cash payments will be in accordance with the Currency Elections made by such Inmarsat Shareholders (the ability to make Currency Elections being described at paragraph 3 of this Part 2). Cheques in respect of Cash Consideration will be despatched by first-class post (or by such other method as may be approved by the Panel) at the risk of the person(s) entitled thereto as soon as practicable (and in any event within 14 calendar days or within such other time period as may be approved by the Panel) after the Effective Date. All cheques will be made payable to the persons respectively entitled to the monies represented thereby (except that, in the case of joint holders, Bidco reserves the right to make such cheques payable to that one of the joint holders whose name stands first in the register of members of Inmarsat in respect of such joint holding as at the Scheme Record Time or to such other persons (if any) as such persons may direct in writing).

On the Effective Date, each certificate representing a holding of Inmarsat Shares subject to the Scheme will cease to be valid. Following settlement of the consideration to which an Inmarsat Scheme Shareholder is entitled under the Scheme, Inmarsat Scheme Shareholders will be bound on the request of Inmarsat either (i) to destroy such Inmarsat Share certificates; or (ii) to return such Inmarsat Share certificates to Inmarsat, or to any person appointed by Inmarsat, for cancellation.

(c) **General**

All documents and remittances sent to Scheme Shareholders in accordance with this paragraph 16 will be sent at the risk of the person(s) entitled thereto.

Save with the consent of the Panel, settlement of the consideration to which any Scheme Shareholder is due under the Scheme will be implemented in full in accordance with the terms set out in this Part 2 without regard to any lien, right of set off, counterclaim or analogous right to which Bidco may otherwise be, or claim to be, entitled against any Scheme Shareholder.

**17. Overseas Shareholders**

The release, publication or distribution of this document in or into jurisdictions other than the United Kingdom or the United States may be restricted by law and, therefore, persons into whose possession this document comes who are not resident in the United Kingdom or the United States should inform themselves about, and observe, any applicable restrictions. Inmarsat Shareholders who are in any doubt regarding such matters should consult an appropriate independent adviser in the relevant jurisdiction without delay. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the offer to acquire Inmarsat Shares pursuant to the Acquisition will not be made available, directly or indirectly, in, into or from a jurisdiction where to do so would violate the laws in that jurisdiction. Accordingly, copies of this document and any related documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction, and persons receiving this document and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from any Restricted Jurisdiction. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), such Takeover Offer may not be made available, directly or indirectly, into or from a Restricted Jurisdiction.

The availability of the offer to acquire Inmarsat Shares pursuant to the Acquisition to Inmarsat Shareholders who are not resident in and citizens of the United Kingdom or the United States may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom or the United States should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions as failure to comply with such restrictions may constitute a violation of security laws of any such jurisdiction. To the fullest extent permitted by applicable law, the persons and companies involved in the Acquisition disclaim any responsibility for liability for the violation of such restrictions by any person.

This document and the accompanying documents have been prepared in connection with a proposal in relation to a scheme of arrangement pursuant to, and for the purpose of complying with English law, the Takeover Code and the Listing Rules, and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside the United Kingdom. Nothing in this document or the accompanying documents should be relied upon for any other purpose.

**18. United Kingdom taxation**

Your attention is drawn to paragraph 5 of Part 6 (*Additional Information*) of this document which contains a summary of certain UK tax-related information relevant to certain Scheme Shareholders.

**19. Action to be taken**

Inmarsat Shareholders will find enclosed with this document a blue Form of Proxy to be used in connection with the Court Meeting and a white Form of Proxy to be used in connection with the Inmarsat General Meeting. If you hold Inmarsat Shares in CREST, you may instead appoint a proxy by completing and transmitting a CREST Proxy Instruction to Inmarsat's registrar, Equiniti.

**Whether or not you intend to attend the Court Meeting and/or the Inmarsat General Meeting, please complete and sign both Forms of Proxy and return them to Inmarsat's registrar, Equiniti, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, or if you hold Inmarsat Shares in CREST, complete and transmit a CREST Proxy Instruction so as to arrive by the time specified below on 8 May 2019.**



If the blue Form of Proxy for the Court Meeting is not lodged so as to be received by 2.00 p.m. on 8 May 2019, it may be handed to the Chairman of the Court Meeting or a representative of Equiniti, on behalf of the Chairman of the Court Meeting, before the start of the Court Meeting. However, in the case of the Inmarsat General Meeting, unless the white Form of Proxy is lodged so as to be received by 2.15 p.m. on 8 May 2019, it will be invalid. The completion and return of a Form of Proxy or transmittal of a CREST Proxy Instruction will not prevent you from attending the Court Meeting or the Inmarsat General Meeting and voting in person, if you so wish and are so entitled.

As an alternative to completing and returning the printed Forms of Proxy, proxies may be appointed electronically by logging on to the following website [www.sharevote.co.uk](http://www.sharevote.co.uk) and following the instructions there. For an electronic proxy appointment to be valid, the appointment must be received by Equiniti no later than by 2.00 p.m. on 8 May 2019 in the case of the Court Meeting and by 2.15 p.m. on 8 May 2019 in the case of the Inmarsat General Meeting (or, in the case of an adjourned meeting, not less than 48 hours (excluding any part of a day that is not a working day) prior to the time and date set for the adjourned meeting.

**It is important that as many votes as possible are cast at the Court Meeting so that the Court may be satisfied that there is a fair representation of Scheme Shareholder opinion. You are therefore strongly encouraged to sign and return the blue Form of Proxy for the Court Meeting as soon as possible. You are also encouraged to sign and return the white Form of Proxy for the Inmarsat General Meeting at the same time as the blue Form of Proxy for the Court Meeting or if you hold Inmarsat Shares in CREST, via a CREST Proxy Instruction.**

If you have any questions relating to this document or the completion and return of your Forms of Proxy, please call the Inmarsat Shareholder helpline between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0371 384 2849 from within the UK (or on +44 121 415 0264 if calling from outside the UK). Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that Equiniti cannot provide advice on the merits of the Acquisition or give any financial, legal or tax advice.

Details of the Currency Conversion Facility and the election to be made by Inmarsat Shareholders who wish to receive their Cash Consideration in Sterling are set out in paragraph 3 of this Part 2 and Part 7 (*Notes for Making Currency Elections*) of this document.

## 20. Further information

The terms of the Scheme are set out in full in Part 10 (*The Scheme of Arrangement*) of this document. Your attention is also drawn to the further information contained in, or incorporated by reference into, this document which forms part of this Explanatory Statement.

Yours faithfully,

Hugo Baring  
*Managing Director*  
for and on behalf of  
**J.P. Morgan Securities plc**

Simon Lyons  
*Partner*  
for and on behalf of  
**PJT Partners (UK) Limited**

Cathal Deasy  
*Managing Director*  
for and on behalf of  
**Credit Suisse International**

## PART 3

### CONDITIONS TO AND FURTHER TERMS OF THE ACQUISITION

#### PART A: CONDITIONS TO THE ACQUISITION AND THE SCHEME

The Acquisition is subject to the following Conditions:

1. The Acquisition is conditional upon the Scheme becoming unconditional and becoming Effective, subject to the Takeover Code, by no later than 11.59 p.m. on the Long Stop Date.

#### **Scheme approval**

2. The Scheme is conditional on:
  - (a) its approval by a majority in number of the Scheme Shareholders present, entitled to vote and voting at the Court Meeting and at any separate class meeting which may be required by the Court, or at any adjournment thereof, either in person or by proxy, representing not less than 75 per cent. in value of the Scheme Shares voted by such Scheme Shareholders (or the relevant class or classes thereof, if applicable), such Court Meeting (and any such class meeting(s)) to be held on or before the 22nd day after 10 May 2019 (or such later date (if any) as Bidco and Inmarsat may, with the consent of the Panel, agree and the Court may allow);
  - (b) all resolutions in connection with or required to approve and implement the Scheme as set out in the notice of the Inmarsat General Meeting being duly passed by the requisite majority or majorities of the Inmarsat Shareholders at the Inmarsat General Meeting, or at any adjournment thereof, such Inmarsat General Meeting to be held on or before the 22nd day after 10 May 2019 (or such later date (if any) as Bidco and Inmarsat may, with the consent of the Panel, agree and the Court may allow);
  - (c) the sanction of the Scheme by the Court (with or without modifications, subject to any modifications being on terms reasonably acceptable to Inmarsat and Bidco); and
  - (d) a copy of the Court Order being delivered to the Registrar of Companies.

#### **Additional Conditions to the Scheme**

3. Subject to the requirements of the Panel, the Acquisition is also conditional on the following Conditions having been met on terms reasonably satisfactory to Bidco or, where applicable, waived and accordingly the necessary actions to make the Scheme Effective will not be taken unless such Conditions (as amended, if appropriate) have been so satisfied or, where applicable, waived:

#### **Regulatory clearances (merger clearance)**

##### *Austria*

- (a) the Acquisition having been cleared by the Austrian Competition Authorities (Federal Competition Authority, Federal Cartel Prosecutor, Cartel Court). This condition shall be deemed satisfied if:
  - (i) the Federal Competition Authority as well as the Federal Cartel Prosecutor have not issued a request for an in-depth investigation of the Acquisition within the necessary timeframe; or
  - (ii) the Cartel Court or the Supreme Court have issued a decision terminating the in-depth investigation (because all requests for in-depth review have been withdrawn) or have issued a “non-prohibition” decision, and such decision has become final and binding;

##### *China*

- (b) the State Administration for Market Regulation (“SAMR”) having either:
  - (i) made (or being deemed to have made) a decision of no further review of the Acquisition;
  - (ii) granted clearance; or
  - (iii) any applicable waiting periods in respect of the review of the Acquisition by SAMR under article 25 of the Anti-Monopoly Law of the People’s Republic of China having expired;

### ***Germany***

- (c) the German Federal Cartel Office (“**FCO**”) has cleared the Acquisition by issuing a notice that the Acquisition will not be prohibited; or the Acquisition is deemed to be cleared because the applicable waiting period pursuant to section 40 of the German Act Against Restraints of Competition (*Gesetz gegen Wettbewerbsbeschränkungen*) has expired;

### ***Russia***

- (d) Bidco having received, in writing, the clearance decision required under Federal Law No.135-FZ ‘On the Protection of Competition’ dated 26 July 2006 as amended;

### ***United Kingdom***

- (e) confirmation having been received in writing by Bidco from the United Kingdom Competition and Markets Authority (the “**CMA**”) or, as the case may be, the Secretary of State, that the CMA or, as the case may be, the Secretary of State, does not intend to refer the Acquisition or any matters arising therefrom for a Phase 2 CMA Reference;

### ***United States***

- (f) all filings having been made and all appropriate waiting periods (including any extension thereof) under the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976 as amended and the regulations thereunder having expired, lapsed or been terminated as appropriate in each case in respect of the Acquisition;

## **Regulatory Clearances (Foreign Investment)**

### ***Australia***

- (g) either (i) Bidco having received written notice under the Australian Foreign Acquisitions and Takeovers Act 1975 (Cth) or its successor legislation (“**Australian Foreign Investment Laws**”) to the effect that the Commonwealth Government does not object to the Acquisition; or (ii) following notice of the Acquisition having been given by Bidco under Australian Foreign Investment Laws, the Commonwealth Treasurer ceasing to be empowered to make an order in respect of the Acquisition due to the expiry of the applicable statutory waiting period;

### ***Germany***

- (h) the Acquisition not having been prohibited according to sec. 4 para. 1 no. 4, sec. 5 para. 2 of the German Foreign Trade Act (*Außenwirtschaftsgesetz* – “**AWG**”) in conjunction with sec. 59 para. 1 of the German Foreign Trade Ordinance (*Außenwirtschaftsverordnung* – “**AWV**”). This condition shall be deemed satisfied if a certificate of non-objection pursuant to sec. 58 AWV has been granted or the review periods under sec. 55 through 59 AWV have expired without this Acquisition having been prohibited;

### ***India***

- (i) the Department of Space, Government of India having provided its approval, and such approval being in full force and effect, for the purchase / subscription of shares in accordance with this Acquisition, as per the extant Consolidated Foreign Direct Investment Policy Circular of 2017 (as amended from time to time);

### ***Italy***

- (j) insofar as approval is required in the context of the so-called “**Golden Powers Legislation**” under Italian law (Italian Law Decree No. 21 of 15 March 2012 as amended by Law 11 May 2012, No. 56, as applicable and implemented by Presidential Decree No. 85 of 25 March 2014 (Assets Identification Decree on Communication, Energy and Transport Golden Powers), Presidential Decree No. 86 of 25 March 2014 (Procedural Decree on Communication, Energy and Transport Golden Powers), Decree of the President of the Council of Ministers No. 108 of 6 June 2014 (Assets Identification Decree on Defence and National Security Golden Powers), Presidential Decree No. 35 of 19 February 2014 (Procedural Decree on Defence

and National Security Golden Powers) and subsequent provisions amending and/or supplementing the legislation):

- (i) the Presidency of the Council of Ministers or any other competent regulatory authority under Italian Law confirming in writing pursuant to Article 1 (Defence and National Security Golden Powers) and/or Article 2 (Communication, Energy and Transport Golden Powers), as applicable, of the Golden Powers Legislation, that it has approved and/or cleared the Acquisition; or
- (ii) that the relevant deadlines for tacit consent “*silenzio-assenso*” of the Golden Powers Legislation having elapsed without any veto or consent having been communicated by the Presidency of the Council of Ministers or any other competent regulatory authority;

### ***Russia***

- (k) Bidco or the members of the Consortium (as applicable) having received, in writing, the clearance decision(s) required under Federal Law No. 160-FZ ‘On Foreign Investments in the Russian Federation’ dated 9 July 1999 as amended;

### ***United States***

- (l) the parties having notified the Acquisition to CFIUS, and:
  - (i) CFIUS having determined either (i) that the Acquisition is not a “covered transaction”; or (ii) that it is a “covered transaction”, and there are no unresolved national security issues; or
  - (ii) CFIUS having sent a report regarding the Acquisition to the President of the United States (the “**President**”), and the President having declined to suspend or prohibit the Acquisition, or the time for the President to take action having elapsed;
- (m) the United States Federal Communications Commission (“**FCC**”) shall have granted its consent to the transfer of control to Bidco of the Inmarsat entities holding licences and authorizations issued by the FCC, without the imposition of any condition deemed materially adverse by Bidco, and shall have issued a declaratory ruling finding that the public interest would not be served by prohibiting the non-US ownership of Bidco to exceed the 25 per cent. benchmark set forth in Section 310(b)(4) of the United States Communications Act of 1934, as amended, and each such action by the FCC necessary for the consummation of the Acquisition shall have become a final order. For purposes of this provision, the term “final order” shall mean that action shall have been taken by the FCC (including action duly taken by the FCC’s staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or *certiorari* or *sua sponte* action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, *certiorari* or for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminated;

### **Notifications, waiting periods and Authorisations**

- (n) the waiver (or non-exercise within any applicable time limits) by any relevant third party of any termination right, right of pre-emption, first refusal or similar right (which is material in the context of the Wider Inmarsat Group taken as a whole) arising as a result of or in connection with the Acquisition including, without limitation, its implementation or the proposed direct or indirect acquisition of any shares or other securities in, or control of, Inmarsat by Bidco;
- (o) other than in relation to Conditions (a) to (m) above, all material notifications, filings or applications which are necessary or reasonably considered necessary by Bidco in connection with the Acquisition having been made, all clearances having been explicitly granted or deemed to be granted, all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulations of any jurisdiction having expired, lapsed or been terminated (as appropriate), and all statutory and regulatory obligations in any relevant jurisdictions having been complied with, in each case in respect of the Scheme and the Acquisition and the acquisition of any Inmarsat Shares, or of control of Inmarsat, by Bidco;
- (p) all Authorisations necessary or reasonably considered necessary by Bidco in any jurisdiction for, or in respect of, the Scheme or Acquisition or the acquisition or the proposed acquisition of any Inmarsat Shares or other securities in, or of control or management of, Inmarsat or any other member of the Wider Inmarsat Group, by Bidco and to carry on the business of any member of the Wider Bidco Group or Wider Inmarsat

Group having been obtained, in terms and in a form reasonably satisfactory to Bidco, from all appropriate Third Parties and from any persons or bodies with whom any member of the Wider Bidco Group or the Wider Inmarsat Group has entered into contractual arrangements and all such Authorisations remaining in full force and effect at the time at which the Acquisition becomes Effective and Bidco having no knowledge of an intention to revoke, suspend or modify or not to renew any of the same and all necessary statutory or regulatory obligations in any jurisdiction having been complied with where, in each case, absence of such Authorisation would have a material adverse effect on the Wider Bidco Group or the Wider Inmarsat Group in each case taken as a whole;

- (q) no Third Party having decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or enacted, made or proposed any statute, regulation, decision or order, or having taken any other steps (in each case, not having withdrawn the same) which would or might reasonably be expected to, in each case to an extent or in a manner which is material to Wider Bidco Group taken as a whole or the Wider Inmarsat Group taken as a whole:
- (i) require, prevent or materially delay the divestiture, or alter the terms envisaged for any proposed divestiture, by any member of the Wider Bidco Group or any member of the Wider Inmarsat Group of all or any portion of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct any of their respective businesses (or any of them) or to own or control any of their respective assets or properties or any part thereof;
  - (ii) require, prevent or materially delay the divestiture or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Bidco Group of any shares or other securities in Inmarsat;
  - (iii) impose any limitation on, or result in a material delay in or limit on, the ability of any member of the Wider Bidco Group, directly or indirectly, to acquire or to hold or to exercise effectively all or any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or equivalent) in any member of the Wider Inmarsat Group or the Wider Bidco Group or to exercise voting or management control over any such member;
  - (iv) otherwise adversely affect any or all of the business, assets, profits or prospects of any member of the Wider Bidco Group or the Wider Inmarsat Group;
  - (v) make the Scheme or the Acquisition or, in each case, its implementation or the acquisition or proposed acquisition by Bidco or any member of the Wider Bidco Group of any shares or other securities in, or control or management of, Inmarsat or any member of the Wider Inmarsat Group, void, illegal, and/or unenforceable under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, restrain, prevent, restrict, prohibit, delay or otherwise interfere with the Scheme or Acquisition or such acquisition, or impose additional conditions or obligations with respect thereto, or otherwise impede, challenge or interfere with the Scheme or Acquisition or require amendment to the terms of the Scheme or Acquisition or the acquisition or proposed acquisition of any Inmarsat Shares or the acquisition of control or management of Inmarsat or the Wider Inmarsat Group by Bidco or any member of the Bidco Group;
  - (vi) except pursuant to Chapter 3 of Part 28 of the Companies Act, require any member of the Wider Bidco Group or the Wider Inmarsat Group to offer to acquire or acquire any shares or other securities (or the equivalent) or interest in any member of the Wider Inmarsat Group or the Wider Bidco Group owned by any third party (other than in implementation of the Acquisition);
  - (vii) impose any limitation on the ability of any member of the Wider Bidco Group or the Wider Inmarsat Group to conduct or integrate or co-ordinate its business, or part of it, with the businesses of other members of the Wider Bidco Group or the Wider Inmarsat Group which is adverse to and material in the context of the Wider Bidco Group and the Wider Inmarsat Group, in each case taken as whole or in the context of the Acquisition; or
  - (viii) result in any member of the Wider Inmarsat Group or the Wider Bidco Group ceasing to be able to carry on business under any name under which it presently does so,

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Scheme or Acquisition or the proposed acquisition of any Inmarsat Shares having expired, lapsed or been terminated;

**Certain matters arising as a result of any arrangement, agreement, etc.**

- (r) except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Inmarsat Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or subject or any circumstance which, in each case as a consequence of the Scheme or Acquisition or the acquisition or proposed acquisition of any Inmarsat Shares or other securities in, or control or management of, Inmarsat or any other member of the Wider Inmarsat Group, by any member of the Wider Bidco Group or otherwise, would or might reasonably be expected to result in, to an extent in any such case which is or would be material in the context of the Wider Inmarsat Group taken as a whole:
- (i) any monies borrowed by, or any other indebtedness, liabilities (actual or contingent) of, or any grant available to any member of the Wider Inmarsat Group being or becoming repayable or being capable of being declared repayable immediately or prior to its or their stated maturity date or repayment date or the ability of any member of the Wider Inmarsat Group to borrow monies or incur any indebtedness being withdrawn or inhibited or becoming capable of being withdrawn (or inhibited);
  - (ii) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the Wider Inmarsat Group or any such mortgage, charge or other security interest (wherever or whenever created, arising or having arisen) being enforced or becoming enforceable;
  - (iii) any such arrangement, agreement, lease, licence, franchise, permit or other instrument or the rights, liabilities, obligations or interests of any member of the Wider Inmarsat Group thereunder being, or becoming capable of being, terminated or adversely modified or affected or any action being taken of an adverse nature or any obligation or liability arising thereunder;
  - (iv) any assets or interests of any member of the Wider Inmarsat Group being or falling to be disposed of or charged or ceasing to be available to any member of the Wider Inmarsat Group, or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Inmarsat Group, other than in the ordinary course of business;
  - (v) the rights, liabilities, obligations, interests or business of any member of the Wider Inmarsat Group in or with any firm or body or person, or any agreements, arrangements, licences, permits, franchises or other instruments relating to such interest or business, being terminated or adversely modified or affected;
  - (vi) any member of the Wider Inmarsat Group ceasing to be able to carry on business under any name under which it presently does so;
  - (vii) the financial or trading position or the value of any member of the Wider Inmarsat Group being prejudiced or adversely affected; or
  - (viii) the creation or acceleration of any liability, actual or contingent, by any member of the Wider Inmarsat Group (including any tax liability or any obligation to obtain or acquire any Authorisation, notice, waiver, concession, agreement or exemption from any Third Party or any other person) other than the creation of liabilities incurred in the ordinary course of business,

and no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Inmarsat Group is a party, or to which any such member or any of its assets may be bound, entitled or subject, could result in any of the events or circumstances as are referred to in paragraphs (i) to (viii) of this Condition;

**Certain events occurring since 31 December 2017**

- (s) except as Disclosed, no member of the Wider Inmarsat Group having, since 31 December 2017:
- (i) issued, agreed to issue or proposed or announced its intention to authorise or propose the issue of additional shares or securities of any class, or securities convertible into, or exchangeable for or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold any shares out of treasury (save as between Inmarsat and wholly-owned subsidiaries of Inmarsat and save for options, awards or Inmarsat Shares granted, and for any Inmarsat Shares allotted upon exercise or vesting of any Awards granted under the Inmarsat Share Plans, or any redeemed, purchased or reduced any part of its share capital);

- (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus issue, dividend and/or other distribution and/or other return of capital (whether payable in cash or otherwise) other than (i) to Inmarsat or a wholly-owned subsidiary of Inmarsat and (ii) the Final Dividend;
- (iii) save for intra-Inmarsat Group transactions or pursuant to the Acquisition, agreed, authorised, proposed or announced its intention to propose: (i) any merger or demerger, acquisition or disposal, transfer, mortgage, charge or the creation of any security interest of assets or shares which is material in the context of the Wider Inmarsat Group taken as a whole (other than in the ordinary course of trading); or (ii) any change in its share or loan capital which is material in the context of the Wider Inmarsat Group taken as a whole;
- (iv) save for intra-Inmarsat Group transactions, issued, authorised or proposed the issue of any debentures or incurred or increased any indebtedness or liability (actual or contingent) which is material in the context of the Wider Inmarsat Group taken as a whole;
- (v) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital in each case to the extent which is material in the context of the Wider Inmarsat Group taken as whole;
- (vi) save for intra-Inmarsat Group transactions, acquired or disposed of or transferred, mortgaged or encumbered any asset or any right, title or interest in any asset (including shares in any undertaking and trade investments) (other than in the ordinary course of trading) in a manner which is material in the context of the Wider Inmarsat Group taken as a whole;
- (vii) entered into, varied authorised any agreement or transactions to or otherwise announced its intention to enter into or vary any contract, arrangement or commitment (whether in respect of capital expenditure or otherwise) which: (i) is of a long-term and onerous or unusual nature or magnitude or which involves or could involve an obligation of such a nature or magnitude; (ii) could restrict the business of any member of the Wider Inmarsat Group; or (iii) is other than in the ordinary course of business, and which in any case is material in the context of the Wider Inmarsat Group taken as a whole;
- (viii) entered into any contract, transaction or arrangement which would be restrictive on the business of any member of the Wider Inmarsat Group or the Wider Bidco Group other than to a nature and extent which is normal in the context of the business concerned and which in any case is material in the context of the Wider Inmarsat Group taken as a whole;
- (ix) (other than in respect of a member of the Wider Inmarsat Group which is dormant and was solvent at the relevant time) entered into, authorised or proposed or announced its intention to enter into any reconstruction, amalgamation, transaction or arrangement (otherwise than in the ordinary course of business) which is material in the context of the Wider Inmarsat Group taken as a whole;
- (x) (other than in respect of a member of the Wider Inmarsat Group which is dormant and was solvent at the relevant time) taken any action nor having had any steps taken or legal proceedings started or threatened against it or petition presented or order made for its winding-up (voluntary or otherwise), dissolution or reorganisation or for it to enter into any arrangement or composition for the benefit of its creditors, or for the appointment of a receiver, administrator, trustee or similar officer of all or any part of its assets and revenues (or any analogous proceedings or appointment in any overseas jurisdiction) which is material in the context of the Wider Inmarsat Group taken as a whole;
- (xi) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business, in each case which is material in the context of the Wider Inmarsat Group taken as a whole;
- (xii) entered into or varied to a material extent or made any offer to enter into or vary to a material extent the terms of any service agreement or arrangement with any of the directors of Inmarsat otherwise than in the ordinary course of business and consistent with past practice and Inmarsat's remuneration policy as approved by Inmarsat Shareholders from time to time;
- (xiii) waived, compromised or settled any claim which is material in the context of the Wider Inmarsat Group taken as a whole;
- (xiv) save as required in connection with the adoption of the Amended Inmarsat Articles, made any material alterations to its memorandum or articles of association or other incorporation documents;

- (xv) except in relation to necessary changes made or agreed as a result of, or arising from, changes to legislation, having made or agreed or consented to any change to:
  - (A) the terms of the trust deeds constituting the pension scheme(s) established by any member of the Wider Inmarsat Group for its directors, former directors, employees, former employees or their dependents;
  - (B) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
  - (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
  - (D) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made to an extent which is material in the context of the Wider Inmarsat Group taken as a whole or in the context of the Acquisition;
- (xvi) carried out any act (other than any act arising from or in connection with the Scheme or the Acquisition):
  - (A) which would or could reasonably be expected to lead to the commencement of the winding up of any pension scheme(s) established by any member of the Wider Inmarsat Group for its directors, former directors, employees, former employees or their dependents;
  - (B) which would or might create a material debt owed by an employer to any such pension scheme;
  - (C) which would or might accelerate any obligation on any employer to fund or pay additional contributions to any such pension scheme; or
  - (D) which would, having regard to the published guidance of the Pensions Regulator, give rise to a liability on a member of the Wider Inmarsat Group to make payment to any such pension scheme arising out of the operation of sections 38 and 38A of the Pensions Act 2004,

in each case, to an extent which is material in the context of the Wider Inmarsat Group taken as a whole or in the context of the Acquisition;
- (xvii) to an extent which is material in the context of the Wider Inmarsat Group, proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme, or other benefit relating to the employment or termination of employment of any person employed by the Wider Inmarsat Group otherwise than in the ordinary course of business and consistent with past practice;
- (xviii) other than with the consent of Bidco, taken (or agreed or proposed to take) any action that requires, or would require, the consent of the Takeover Panel or the approval of Inmarsat Shareholders in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code; or
- (xix) entered into or made an offer (which remains open for acceptance) to enter into any agreement, arrangement or commitment or passed any resolution with respect to or announced an intention to or to propose to effect any of the transactions, matters or events referred to in this Condition;
- (t) since 31 December 2017, except as Disclosed:
  - (i) there having been no adverse change or deterioration in the business, assets, financial or trading position or profits or prospects of any member of the Wider Inmarsat Group which in any such case is material in the context of the Wider Inmarsat Group taken as a whole;
  - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been instituted, announced or threatened by or against or remaining outstanding against any member of the Wider Inmarsat Group and no enquiry or investigation by or complaint or reference to any Third Party against or in respect of any member of the Wider Inmarsat Group having been threatened, announced or instituted or remaining outstanding which in any such case is material in the context of the Wider Inmarsat Group taken as a whole;
  - (iii) no enquiry or investigation by (or, to Inmarsat's knowledge, complaint or reference to) any Third Party or other investigative body having been threatened, announced, instituted or remaining outstanding by, against or in respect of any member of the Wider Inmarsat Group, which in any case is material in the context of the Wider Inmarsat Group taken as whole or in the context of the Acquisition;
  - (iv) no contingent or other liability in respect of any member of the Wider Inmarsat Group having arisen, become apparent or increased or been incurred which might reasonably be expected to adversely



affect any member of the Wider Inmarsat Group in a manner which is material in the context of the Wider Inmarsat Group;

- (v) no member of the Wider Inmarsat Group having conducted its business in breach of applicable laws and regulations and which is material in the context of the Wider Inmarsat Group as a whole or be material in the context of the Acquisition; and
- (vi) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence, permit, franchise, arrangement, agreement or other instrument held by any member of the Wider Inmarsat Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which might reasonably be expected to be material in the context of the Wider Inmarsat Group as a whole or be material in the context of the Acquisition;

#### **No discovery of certain matters regarding information, liabilities and environmental issues**

(u) Bidco not having discovered, save as Disclosed:

- (i) that the financial, business or other information concerning the Wider Inmarsat Group which has been disclosed prior to the date of the Press Announcement by or on behalf of any member of the Wider Inmarsat Group whether publicly (by the delivery of an announcement to a Regulatory Information Service) or to Bidco or its professional advisers, either contains a misrepresentation of fact or omits to state a fact necessary to make any information contained therein not misleading in either case which is material in the context of the Wider Inmarsat Group taken as a whole;
- (ii) that any member of the Wider Inmarsat Group (or partnership, company or other entity in which any member of the Wider Inmarsat Group has a Significant Interest and which is not a subsidiary undertaking of Inmarsat) is subject to any liability, contingent or otherwise which is material in the context of the Wider Inmarsat Group taken as a whole;
- (iii) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Inmarsat Group and which is material in the context of the Wider Inmarsat Group taken as a whole;
- (iv) that any past or present member of the Wider Inmarsat Group has not complied in any material respect with any applicable legislation or regulations of any jurisdiction or any notice or requirement of any Third Party with regard to the use, treatment, handling, transport, release, storage, disposal, discharge, spillage, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health which non-compliance would be likely to give rise to any liability (whether actual or contingent) or cost on the part of any member of the Wider Inmarsat Group in each case to an extent which is material in the context of the Wider Inmarsat Group taken as a whole;
- (v) that there has been a disposal, spillage, emission, discharge or leak of waste or hazardous substance or any substance likely to impair the environment or harm human health on, or from, any land or other asset now or previously owned, occupied or made use of by any past or present member of the Wider Inmarsat Group, or in which any such member may now or previously have had an interest, which would be likely to give rise to any liability (whether actual or contingent) or cost on the part of any member of the Wider Inmarsat Group in each case to an extent which is material in the context of the Wider Inmarsat Group taken as a whole;
- (vi) that there is or is likely to be any obligation or liability (whether actual or contingent) to make good, repair, reinstate or clean up any property now or previously owned, occupied or made use of by any past or present member of the Wider Inmarsat Group or in which any such member may now or previously have had an interest under any environmental legislation or regulation or notice, circular or order or other lawful requirements of any Third Party in any jurisdiction in each case to an extent which is material in the context of the Wider Inmarsat Group taken as a whole; and
- (vii) that circumstances exist (whether as a result of the Acquisition or otherwise) which would be reasonably likely to lead to any Third Party instituting, or whereby any member of the Wider Bidco Group or any present or past member of the Wider Inmarsat Group would be likely to be required to institute, an environmental audit or take any other steps which would in any such case be reasonably likely to result in any liability (whether actual or contingent) to improve, modify existing or install new plant, machinery or equipment or carry out changes in the processes currently carried out or make good, remediate, repair, re-instate or clean up any land or other asset currently or previously owned,

occupied or made use of by any past or present members of the Wider Inmarsat Group (or on its behalf) or by any person for which a member of the Wider Inmarsat Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest which, in each case, is material in the context of the Wider Inmarsat Group taken as a whole;

#### **Anti-corruption, sanctions and criminal property**

- (v) Bidco not having discovered that, save as Disclosed:
- (i) any past or present member, director, officer, employee or agent of the Wider Inmarsat Group or any person that performs or has performed services (or otherwise acts or has acted) for or on behalf of any such company is or has at any time engaged in any activity, practice or conduct which constitutes an offence under the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977, as amended, or any other applicable anti-corruption legislation;
  - (ii) any asset of any member of the Wider Inmarsat Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition);
  - (iii) any past or present member, director, officer, employee, agent, consultant or designated representative of the Wider Inmarsat Group, or any other person for whom any such person may be liable or responsible, is or has engaged in any activity or business with, or made any investments in, or made any funds or assets available to or received any funds or assets from (A) any government, entity or individual targeted by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states), or the United States; or (B) any government, entity or individual in respect of which US or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Asset Control or HM Revenue & Customs;
  - (iv) a member of the Inmarsat Group has engaged in any transaction which would cause any member of the Bidco Group to be in breach of any applicable law or regulation upon its acquisition of Inmarsat, including the economic sanctions of the United States Office of Foreign Assets Control or HM Revenue & Customs, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its member states; or
  - (v) any member of the Wider Inmarsat Group is ineligible to be awarded any contract or business under section 23 of the Public Contracts Regulations 2006.

#### **PART B: IMPLEMENTATION BY WAY OF TAKEOVER OFFER**

1. Bidco reserves the right to elect to implement the Acquisition by way of a Takeover Offer (as defined in section 974 of the Companies Act), subject to the consent of the Panel and the terms of the Co-operation Agreement.
2. In such event, such offer will (unless otherwise consented to by Inmarsat or required by the Panel) be implemented on the same terms and conditions as those which would apply to the Scheme subject to appropriate amendments to reflect the change in method of effecting the Acquisition, which include (without limitation and subject to the consent of the Panel) an acceptance condition set at 75 per cent. of the Inmarsat Shares to which the Takeover Offer relates (or such lesser percentage, being more than 50 per cent., as Bidco may decide (subject to the Panel's consent), of the voting rights then exercisable at a general meeting of Inmarsat, including, for this purpose, any such voting rights attaching to Inmarsat Shares that are unconditionally allotted or issued, and to any Treasury Shares which are unconditionally transferred out of treasury or sold by Inmarsat, before the Takeover Offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise).
3. In the event that the Acquisition is implemented by way of a Takeover Offer, the Inmarsat Shares acquired shall be acquired with full title guarantee, fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third-party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them (other than the Final Dividend).

## PART C: CERTAIN FURTHER TERMS OF THE ACQUISITION

1. Each of the Conditions is regarded as a separate Condition and is not limited by reference to any other Condition.
2. The Conditions contained in paragraphs 2(a), 2(b) and 3(a) to (v) (inclusive) of Part A of this Part 3 (*Conditions to and Further Terms of the Acquisition*), must be fulfilled, be determined by Bidco to be or remain satisfied or (if capable of waiver) be waived by Bidco by 11.59 p.m. on the date immediately preceding the Scheme Court Hearing, failing which the Scheme shall lapse or if the Acquisition is implemented by way of a Takeover Offer, no later than as permitted by the Panel.
3. To the extent permitted by law and subject to the requirements of the Panel, Bidco reserves the right in its sole discretion to waive:
  - (a) the deadlines set out in the Conditions in paragraph 2 of Part A of this Part 3 (*Conditions to and Further Terms of the Acquisition*) for the timing of the Court Meeting and/or the Inmarsat General Meeting. If any such deadline is not met, Bidco shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with Inmarsat to extend the deadline in relation to the relevant Condition; and
  - (b) in whole or in part, all or any of the Conditions in paragraphs 1 and 3(a) to (v) (inclusive) of Part A of this Part 3 (*Conditions to and Further Terms of the Acquisition*).
4. Bidco is under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions contained in Part A of this Part 3 (*Conditions to and Further Terms of the Acquisition*) by a date earlier than the date specified above in the Condition contained in paragraph 1 of Part A of this Part 3 (*Conditions to and Further Terms of the Acquisition*) for the fulfilment thereof, notwithstanding that the other Conditions of the Acquisition may at such earlier date have been waived (if capable of waiver), determined to be or remained satisfied or treated as fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
5. The Acquisition will lapse if the Scheme or Acquisition or any matter arising from or relating to the Acquisition becomes subject to a CMA Phase 2 Reference before the date of the Court Meeting.
6. If Bidco is required by the Panel to make an offer or offers for any Inmarsat Shares under the provisions of Rule 9 of the Takeover Code, Bidco may make such alterations to any of the above Conditions as are necessary to comply with the provisions of that Rule.
7. The Scheme and the Acquisition and any dispute or claim arising out of, or in connection with, them (whether contractual or non-contractual in nature) are governed by English law and are subject to the jurisdiction of the Courts of England. The Acquisition is made on and subject to the Conditions and further terms set out in this Part 3 (*Conditions to and Further Terms of the Acquisition*). The Acquisition is subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the FCA.
8. The Scheme Shares will be acquired under the Scheme fully paid and free from all liens, equitable interests, charges, encumbrances, options, rights of pre-emption and any other third-party rights or interests of any nature whatsoever and together with all rights attaching thereto, including the right to receive and retain all dividends and other distributions and returns of capital declared, paid or made with a record date on or after the Scheme Record Time.
9. If any dividend and/or other distribution and/or other return of capital is proposed, authorised, announced, declared, made, paid or becomes payable by Inmarsat in respect of an Inmarsat Share on or after the date of the Press Announcement and with a record date on or before the Scheme Record Time, other than the Final Dividend, Bidco will have the right (without prejudice to any right of Bidco, with the consent of the Panel, to invoke Condition 3(s)(ii) above) to adjust the Cash Consideration accordingly by reference to the aggregate amount of the dividend and/or other distribution and/or other return of capital that has been declared, made, paid or is payable. If such dividend, other distribution and/or other return of capital is denominated in any currency other than US dollars, it shall for the purposes of determining the relevant reduction be converted to US dollars using such exchange rate as Bidco shall determine, acting reasonably. If any such dividend or other distribution or other return of capital is paid or made after the date of the Press Announcement and Bidco exercises its rights described above, any reference in this document to the consideration payable under the Scheme shall be deemed to be a reference to the consideration as so reduced. To the extent that any such dividend, other distribution, or other return of capital is declared, made or paid or is payable and is either (i) transferred pursuant to the Acquisition on a basis which entitles Bidco to receive the dividend and/or other distribution and/or other return of capital and to retain it, or

(ii) cancelled, the Cash Consideration will not be subject to change in accordance with this paragraph 9. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme.

10. Under Rule 13.5 of the Takeover Code, Bidco may not invoke a Condition to the Acquisition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition. The Conditions contained in paragraphs 1, 2 and 3(e) of Part A of this Part 3 (*Conditions to and Further Terms of the Acquisition*) are not subject to this provision of the Takeover Code.
11. The availability of the Acquisition to persons not resident in the United Kingdom or the United States may be affected by the laws of relevant jurisdictions. Therefore, any persons who are subject to the laws of any jurisdiction other than the United Kingdom and any Inmarsat Shareholders who are not resident in the United Kingdom or the United States will need to inform themselves about and observe any applicable requirements.
12. Unless otherwise determined by Bidco or required by the Takeover Code and permitted by applicable law and regulations, the Acquisition is not being made, directly or indirectly, in, into or by the use of the mails of, or by any other means or instrumentality (including, but not limited to, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.

## PART 4

### FINANCIAL INFORMATION AND RATINGS

#### Part A: Financial information incorporated by reference relating to Inmarsat

The following sets out the financial information in respect of Inmarsat as required by Rule 24.3(a)(iii) and Rule 24.3(e) of the Takeover Code. The documents referred to below, the contents of which have previously been published, are incorporated into this document by reference pursuant to Rule 24.15 of the Takeover Code.

All documents referred to below are available in “read-only” format for reviewing or downloading free of charge on Inmarsat’s website at <https://investors.inmarsat.com/>. Save as expressly referred to in this document, the contents of the websites referred to in this document are not incorporated into and do not form part of this document.

#### *Information incorporated by reference*

#### *Website address where reference material published*

Audited consolidated accounts for the year ended

31 December 2018 ..... <https://investors.inmarsat.com/>

The audited accounts of Inmarsat for the financial year ended 31 December 2018 are set out on pages 107-168 of the Inmarsat annual report for the financial year ended 31 December 2018.

Audited consolidated accounts for the year ended

31 December 2017 ..... <https://investors.inmarsat.com/>

The audited accounts of Inmarsat for the financial year ended 31 December 2017 are set out on pages 104-156 of the Inmarsat annual report for the financial year ended 31 December 2017.

#### Part B: Inmarsat ratings information

Prior to the commencement of the Offer Period, Inmarsat had been assigned issuer credit of Ba2 Corporate Family Rating from Moody’s and BB from Standard & Poor’s. Since the commencement of the Offer Period, Moody’s has placed Inmarsat’s credit rating under review for downgrade based on the expected increase in financial leverage which may result from the Acquisition. There has been no update on outlook or revised credit rating for Inmarsat from Standard & Poor’s since the commencement of the Offer Period.

#### Part C: Financial information relating to Bidco

As Bidco was incorporated on 15 March 2019 for the purposes of making the Acquisition, no financial information is available or has been published in respect of Bidco. Bidco has not traded since its date of incorporation, has paid no dividends and Bidco has not entered into any obligations, other than in connection with the Acquisition.

#### Part D: Bidco ratings and outlooks

There are no current public ratings or outlooks accorded to Bidco by any rating agencies.

**PART 5**  
**INMARSAT PROFIT FORECAST**

**Inmarsat profit forecast**

Inmarsat's 2018 Full Year Results Announcement included the following statement:

“A target of mid-single digit percentage revenue growth on average **over the five year period, 2018 to 2022, with EBITDA and free cash flow generation improving steadily<sup>1</sup>**”

The emboldened part of this statement constitutes an ordinary course profit forecast for the purposes of Rule 28.1 of the Takeover Code (the “**Inmarsat Profit Forecast**”).

**Basis of preparation and assumptions**

The Inmarsat Profit Forecast is based upon the unaudited Inmarsat 2018-2022 Budget and Long Range Business Plan. It excludes any impact from any successful acquisition of, or any unsuccessful attempt to acquire, the Inmarsat Group.

The basis of accounting used for the Inmarsat Profit Forecast is consistent with Inmarsat's current accounting policies, which are in accordance with IFRS, and are those which are expected to apply in preparing Inmarsat's financial statements for the financial years up to and including 31 December 2022. The Inmarsat Profit Forecast excludes any costs associated with the Acquisition, and does not take into account any future effect that may result from the completion of the Acquisition. The Inmarsat Directors have prepared the Inmarsat Profit Forecast on the basis of the following assumptions:

***Factors outside the influence or control of the Inmarsat Directors***

- There will be no material change to the existing prevailing global macroeconomic environment, including, but not limited to, foreign exchange movements and political conditions over the period to 31 December 2022.
- There will be no material change in market conditions over the period to 31 December 2022, particularly in relation to available technologies, customer demand or the competitive environment.
- There will be no business disruption (including natural disasters, acts of terrorism, cyber-attacks and technological issues) or other material adverse events over the period to 31 December 2022 that will have a material impact on Inmarsat, its customers, operations or suppliers.
- There will be no material change in legislation, taxation, regulatory requirements, or the position of any regulatory bodies impacting on Inmarsat's operations, expenditure or its accounting policies over the period to 31 December 2022.
- There will be no material adverse outcome from any ongoing or future disputes with any trading partner, competitor, regulator or tax authority.
- There will be no material unplanned change in the capital structure of Inmarsat and new capital will be available as required at rates similar to those implicit within the current capital structure.

***Factors within the influence or control of the Inmarsat Directors***

- Inmarsat does not carry out any acquisitions or disposals, or enter into, terminate or vary any joint venture which is material in the context of the Inmarsat Profit Forecast (taking into account any potential related transaction or abortive costs).
- There is no material change to Inmarsat's existing operational strategy, and Inmarsat's cost base and capital expenditures do not materially change over the forecast period to 31 December 2022.
- Inmarsat's accounting policies will be consistently applied over the forecast period to 31 December 2022.

<sup>1</sup> Excluding any impact of ongoing exceptional tax enquiries with the tax authorities which are substantially provided for. In the event that all such enquiries were settled entirely in favour of the authorities, the Inmarsat Group would incur a cash tax outflow of c.\$115m, excluding interest.

**Inmarsat Directors' confirmation**

The Inmarsat Directors have considered the Inmarsat Profit Forecast and confirm that it remains valid as at the date of this document and has been properly compiled on the basis of the assumptions set out above and that the basis of the accounting used is consistent with Inmarsat's accounting policies.

**PART 6**  
**ADDITIONAL INFORMATION**

**1. Responsibility**

- (a) The Inmarsat Directors, whose names are set out in paragraph 2(a) below, accept responsibility for the information contained in this document (including any expression of opinion) other than the information for which responsibility is taken by others pursuant to sub-paragraphs (b) to (f) below and the opinion of the UK employee representative set out in Part 13 (*Inmarsat UK Staff Representatives' Opinion*). To the best of the knowledge and belief of the Inmarsat Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) The Bidco Directors, whose names are set out in paragraph 2(b) below, accept responsibility for the information contained in this document (including any expression of opinion) relating to Bidco and themselves, their close relatives, related trusts and other connected persons and other persons acting in concert with Bidco (as that term is used in the Takeover Code). To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (c) The Apax Responsible Persons, whose names are set out in paragraph 2(c) below, each accept responsibility for the information contained in this document (including any expression of opinion) relating to Bidco, Apax, the Apax Funds and themselves and their respective close relatives, related trusts and other connected persons contained in this document. To the best of the knowledge and belief of the Apax Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (d) The Warburg Pincus Responsible Persons, whose names are set out in paragraph 2(d) below, each accept responsibility for the information contained in this document (including any expression of opinion) relating to the Bidco, Warburg Pincus, the Warburg Pincus Funds and themselves and their respective close relatives, related trusts and other connected persons contained in this document. To the best of the knowledge and belief of the Warburg Pincus Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (e) The CPPIB Responsible Persons, whose names are set out in paragraph 2(e) below, accept responsibility for the information contained in this document (including any expression of opinion) relating to Bidco, CPPIB and themselves and their respective close relatives, related trusts and other connected persons contained in this document. To the best of the knowledge and belief of the CPPIB Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (f) The OTPP Responsible Persons, whose names are set out in paragraph 2(f) below, accept responsibility for the information contained in this document (including any expression of opinion) relating to Bidco, OTPP and themselves and their respective close relatives, related trusts and other connected persons contained in this document. To the best of the knowledge and belief of the OTPP Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.



## 2. Directors

- (a) The Inmarsat Directors and their positions in Inmarsat are as follows:

<i>Name</i>	<i>Position</i>
Andrew Sukawaty .....	Chairman
Rupert Pearce .....	Chief Executive Officer
Tony Bates .....	Chief Financial Officer
Simon Bax .....	Independent Non-Executive Director
Sir Bryan Carsberg .....	Non-Independent Non-Executive Director
Tracy Clarke .....	Independent Non-Executive Director
Warren Finegold .....	Independent Non-Executive Director
General C. Robert Kehler (Rtd) .....	Independent Non-Executive Director
Phillipa McCrostie .....	Independent Non-Executive Director
Ambassador Janice Obuchowski .....	Independent Non-Executive Director
Dr Abraham Peled .....	Senior Independent Non-Executive Director
Robert Ruijter .....	Independent Non-Executive Director
Dr Hamadoun Touré .....	Independent Non-Executive Director

The registered office of Inmarsat and the business address of each of the Inmarsat Directors is 99 City Road, London EC1Y 1AX, United Kingdom.

- (b) The Bidco Directors and their positions in Bidco are as follows:

<i>Name</i>	<i>Position</i>
Gonzague de Lhoneux .....	Director
Flavio Porciani .....	Director
Jean-Charles Douin .....	Director
Rosario Corcione .....	Director

The registered office of Bidco and the business address of each of the Bidco Directors is Redwood House, St Julian's Avenue, St Peter Port, Guernsey, GY1 1WA.

- (c) The Apax Responsible Persons and their positions in Apax are as follows:

<i>Name</i>	<i>Position</i>
Andrew Sillitoe .....	Partner and Co-Chief Executive Officer
Nico Hansen .....	Partner
Salim Nathoo .....	Partner and Global co-Head of Tech and Telco Sector group

The registered office of Apax and the business address of each of the Apax Responsible Persons is 33 Jermyn Street, London, England, SW1Y 6DN.

- (d) The Warburg Pincus Responsible Persons and their positions in Apax are as follows:

<i>Name</i>	<i>Position</i>
Charles R. Kaye .....	Co-Chief Executive Officer
Joseph P. Landy .....	Co-Chief Executive Officer
Daniel Zilberman .....	Managing Director, Head of Europe
Max Fowinkel .....	Managing Director, Technology, Media and Telecommunications

The registered office of Warburg Pincus and the business address of each of Charles R. Kaye and Joseph P. Landy is 450 Lexington Avenue, New York, NY 10017, United States.

The business address of each of Daniel Zilberman and Max Fowinkel is Almack House, 28 King Street London, SW1Y 6QW.

- (e) The CPPIB Responsible Persons and their positions in CPPIB are as follows:

<i>Name</i>	<i>Position</i>
Shane Feeney .....	Senior Managing Director and Global Head of Private Equity
Alain Carrier .....	Senior Managing Director and Head of International, Head of Europe
Hafiz Lalani .....	Managing Director, Head of Europe, Direct Private Equity
Rosario Corcione .....	Senior Principal, Direct Private Equity

The registered office of CPPIB and the business address of Shane Feeney is One Queen Street East, Suite 2500, Toronto, ON, M5C 2W5, Canada.

The business address of each of Alain Carrier, Hafiz Lalani and Rosario Corcione is 40 Portman Square, 2nd Floor, London, W1H 6LT.

- (f) The OTPP Responsible Persons and their positions in OTPP are as follows:

<i>Name</i>	<i>Position</i>
Ziad Hindo .....	Executive Managing Director, Chief Investment Officer
Jane Rowe .....	Executive Managing Director, Equities Division
Jo Taylor .....	Executive Managing Director, Global Development
Jean-Charles Douin .....	Managing Director, EMEA Private Capital

The registered office of OTPP and the business address of each of Ziad Hindo, Jane Rowe and Jo Taylor is 5650 Yonge Street, Toronto, Ontario M2M 4H5, Canada.

The business address of Jean-Charles Douin is 10 Portman Square, London W1H 6AZ.

### 3. Market quotations

Set out below are the Closing Prices of Inmarsat Shares taken from the London Stock Exchange Daily Official List (SEDOL) on:

- the first dealing day in each of the six months immediately before the date of this document;
- 18 March 2019 (the last dealing day before the commencement of the Offer Period); and
- 16 April 2019 (the Latest Practicable Date).

<i>Date</i>	<i>Closing Price of Inmarsat Shares (£)</i>
1 November 2018 .....	4.60
3 December 2018 .....	4.21
2 January 2019 .....	3.91
1 February 2019 .....	3.68
1 March 2019 .....	4.09
18 March 2019 .....	4.31
1 April 2019 .....	5.47
16 April 2019 .....	5.47

#### 4. Interests and dealings

For the purposes of this paragraph 4:

“**acting in concert**” has the meaning given to it in the Takeover Code;

“**close relative**” has the meaning given to it in the Takeover Code;

“**connected person**” in relation to a director of Bidco or Inmarsat includes: (a) such director’s spouse or civil partner and children or step-children under the age of 18; (b) the trustee(s) of any trust for the benefit of such director and/or any person mentioned in (a); (c) any company in which such director and/or any person mentioned in (a) or (b) is entitled to exercise or control the exercise of one-third or more of the voting power, or which is accustomed to act in accordance with the directions of such director or any such person; and (d) any other person whose interests in shares are taken to be interests of such director pursuant to Part 22 of the Companies Act;

“**control**” means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights (as defined in the Takeover Code) of a company, irrespective of whether such interest or interests give *de facto* control;

“**dealing**” has the meaning given to it in the Takeover Code and “**dealt**” has the corresponding meaning;

“**derivative**” includes any financial product the value of which, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;

“**disclosure period**” means the period commencing on 19 March 2018 (the date 12 months prior to the commencement of the Offer Period) and ending on the Latest Practicable Date;

“**Note 11 arrangement**” includes any indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing (other than irrevocable commitments and letters of intent to vote in favour of the Scheme and/or related resolutions, details of which are set out in paragraph 7 of this Part 6);

“**relevant securities**” means (i) Inmarsat Shares and any other securities of Inmarsat conferring voting rights; (ii) equity share capital of Inmarsat; (iii) equity share capital of Bidco; and (iv) securities of Inmarsat or Bidco carrying conversion or subscription rights into any of the foregoing.

##### (a) *Persons acting in concert with Inmarsat*

In addition to the Inmarsat Directors (together with their close relatives and related trusts) and members of the Inmarsat Group, the persons who, for the purposes of the Takeover Code, are acting in concert with Inmarsat for the purposes of the Acquisition and which are required to be disclosed are:

<i>Name</i>	<i>Registered Office</i>	<i>Relationship with Inmarsat</i>
J.P. Morgan Securities plc . . . . .	25 Bank Street Canary Wharf London E14 5JP	Financial adviser
PJT Partners (UK) Limited . . . . .	5th Floor One Curzon Street London United Kingdom W1J 5HD	Financial adviser
Credit Suisse International . . . . .	One Cabot Square London E14 4QJ	Financial adviser

(b) *Persons acting in concert with Bidco*

In addition to the Bidco Directors (together with their close relatives and related trusts) and members of the Wider Bidco Group, the persons who, for the purposes of the Takeover Code, are acting in concert with Bidco for the purposes of the Acquisition and which are required to be disclosed are:

<i>Name</i>	<i>Registered Office</i>	<i>Relationship with Bidco</i>
Apax .....	33 Jermyn Street London SW1Y 6DN England	Investment Adviser to the Apax Funds which indirectly own 25% of Bidco
Warburg Pincus .....	450 Lexington Avenue New York NY 10017	Investment Manager to the Warburg Pincus Funds which indirectly own 25% of Bidco
UBS .....	London Branch 5 Broadgate London EC2M 2QS	Financial Adviser
Merrill Lynch International .....	2 King Edward Street London EC1A 1HQ	Financial Adviser
Barclays .....	1 Churchill Place London E14 5HP	Financial Adviser

(c) *Interests and dealings in relevant securities of Inmarsat*

(i) As at the Latest Practicable Date, the interests of the Inmarsat Directors (and their close relatives, related trusts and connected persons) in relevant securities of Inmarsat (apart from the Awards which are described in (ii) below) were as follows:

<i>Name</i>	<i>Number of Inmarsat Shares</i>	<i>Percentage of Inmarsat issued share capital</i>
Dr Abraham Peled .....	24,000	0.005
Andrew Sukawaty .....	1,196,047	0.258
Andrew Sukawaty spouse .....	3,137	0.001
Sir Bryan Carsberg .....	16,327	0.004
Ambassador Janice Obuchowski .....	7,000	0.002
Phillipa McCrostie .....	2,000	0.000
General C. Robert Kehler (Rtd) .....	3,000	0.001
Rupert Pearce .....	1,065,057	0.230
Simon Bax .....	11,500	0.002
Simon Bax spouse .....	11,500	0.002
Tony Bates .....	176,127	0.038
Warren Finegold .....	30,000	0.006

  

<i>Director</i>	<i>Number of American Depositary Receipts "ADRs" (Un-sponsored Program)<sup>1</sup></i>	<i>Percentage of Inmarsat issued share capital (%)</i>
Dr Abraham Peled .....	9,650	0.002
Ambassador Janice Obuchowski .....	7,200	0.002

<sup>1</sup> Each ADR represents 1 ordinary share in Inmarsat.

- (ii) As at the Latest Practicable Date, the Inmarsat Directors held the following outstanding Awards over Inmarsat Shares under the Inmarsat Share Plans:

<i>Director</i>	<i>Description of option/ award</i>	<i>Number</i>	<i>Date of incentive award (BSA)/ award (PSA)</i>	<i>Exercise price</i>	<i>Vesting date</i>	<i>Lapse date</i>
Tony Bates . . . . .	Bonus Share Award (“BSA”) under the Executive Share Plan (“ESP”)	31,894	23/03/2016	N/A	23/03/2019 -23/03/2020	N/A
	BSA under the ESP	60,917	10/03/2017	N/A	10/03/2019 -10/03/2021	N/A
	BSA under the ESP	71,608	12/03/2018	N/A	12/03/2020 -12/03/2022	N/A
	Performance Share Award (“PSA”) under the ESP	108,647	10/03/2017	N/A	10/03/2020	N/A
	PSA under the ESP	195,020	12/03/2018	N/A	12/03/2021	N/A
	Option under the Sharesave Plan	5,982	30/05/2018	£3,0088	01/07/2021	01/01/2022
Rupert Pearce . . .	BSA under the ESP	41,152	23/03/2016	N/A	23/03/2019 -23/03/2020	N/A
	BSA under the ESP	96,201	10/03/2017	N/A	10/03/2019 -10/03/2021	N/A
	BSA under the ESP	93,756	12/03/2018	N/A	12/03/2020 -12/03/2022	N/A
	PSA under the ESP	140,182	10/03/2017	N/A	10/03/2020	N/A
	PSA under the ESP	251,655	12/03/2018	N/A	12/03/2021	N/A
	Option under the Sharesave Plan	5,982	30/05/2018	£3,0088	01/07/2021	01/01/2022

- (iii) As at the Latest Practicable Date, the interests, rights to subscribe and short positions in respect of relevant securities of Inmarsat held by persons acting in concert with Inmarsat (excluding the Inmarsat Directors and their close relatives, related trusts and connected persons) were as follows:

<i>Name</i>	<i>Nature of Interest or Rights Concerned</i>	<i>Number</i>
J.P. Morgan Chase Bank (Custody) . . . . .	Inmarsat Share (long)	1

- (iv) During the Offer Period, the following dealings in relevant securities of Inmarsat by Inmarsat Directors (and their close relatives, related trusts and connected persons) have taken place:

<i>Name</i>	<i>Date of Dealing</i>	<i>Number of relevant securities</i>	<i>Nature of Dealing</i>	<i>Price per unit</i>
Rupert Pearce . .	25.03.2019	19,444	Vesting of PSA granted under the ESP in 2016 (including reinvested dividends)	Nil
Rupert Pearce . .	25.03.2019	9,162	Sale	5.414p
Tony Bates . . . .	25.03.2019	15,077	Vesting of PSA granted under the ESP in 2016 (including reinvested dividends)	Nil
Tony Bates . . . .	25.03.2019	7,105	Sale	5.414p

- (v) As at the Latest Practicable Date, the interests, rights to subscribe and short positions in respect of relevant securities of Inmarsat held by persons acting in concert with Bidco were as follows:

<i>Name</i>	<i>Nature of Interest or Rights Concerned</i>	<i>Number</i>
CPPIB .....	Cash-settled derivative	222,365

- (vi) During the disclosure period, the following dealings in relevant securities of Inmarsat by persons acting in concert with Bidco have taken place:

<i>Name</i>	<i>Date of Dealing</i>	<i>Price per Inmarsat Share (£)</i>	<i>Nature of transaction</i>	<i>Number of relevant securities</i>
CPPIB .....	08.10.2018	5.0164	Cash-settled derivative	51,485
CPPIB .....	22.10.2018	4.806	Cash-settled derivative	21,079
CPPIB .....	23.10.2018	4.6456	Cash-settled derivative	36,888
CPPIB .....	24.10.2018	4.6179	Cash-settled derivative	21,079
CPPIB .....	25.10.2018	4.6052	Cash-settled derivative	26,349
CPPIB .....	08.11.2018	4.2848	Cash-settled derivative	3,196
CPPIB .....	09.11.2018	4.2081	Cash-settled derivative	3,197
CPPIB .....	12.11.2018	4.2435	Cash-settled derivative	3,196
CPPIB .....	13.11.2018	4.3177	Cash-settled derivative	3,197
CPPIB .....	14.12.2018	4.1361	Cash-settled derivative	13,174
CPPIB .....	17.12.2018	4.1786	Cash-settled derivative	13,175
CPPIB .....	18.12.2018	4.1664	Cash-settled derivative	13,175
CPPIB .....	19.12.2018	4.234	Cash-settled derivative	13,175
Merrill Lynch .....	19.12.2018	4.1288	Sale	538
Merrill Lynch .....	20.09.2018	4.8744	Sale	2,279
Merrill Lynch .....	16.04.2018	3.6056	Sale	2,300
Merrill Lynch .....	29.10.2018	4.4276	Sale	1

(d) *General*

Save as disclosed in this document, as at the Latest Practicable Date:

- (i) none of Inmarsat, any Inmarsat Directors, any close relatives, related trusts or connected persons of such directors, nor any other person acting in concert with Inmarsat, nor any person with whom Inmarsat or any person acting in concert with Inmarsat has an arrangement, was interested, had any rights to subscribe or had any short positions in respect of any relevant securities of Inmarsat or Bidco, nor has any such person dealt in any relevant securities during the Offer Period;
- (ii) none of Bidco, any Bidco Directors, any close relatives, related trusts or connected persons of such directors, nor any other person acting in concert with Bidco, nor any person with whom Bidco or any person acting in concert with Bidco has an arrangement, was interested, had any rights to subscribe or had any short positions in respect of any relevant securities of Inmarsat nor has any such person dealt in any relevant securities during the disclosure period;
- (iii) neither Inmarsat nor any person acting in concert with Inmarsat has borrowed or lent any relevant securities of Inmarsat during the Offer Period, save for any borrowed shares which have either been on-lent or sold;
- (iv) neither Bidco nor any person acting in concert with Bidco has borrowed or lent any relevant securities of Inmarsat during the disclosure period, save for any borrowed shares which have either been on-lent or sold;
- (v) neither Inmarsat nor any person acting in concert with Inmarsat has entered into or taken any action to unwind any financial collateral arrangements in respect of any relevant securities of Inmarsat during the Offer Period;
- (vi) neither Bidco nor any person acting in concert with Bidco has entered into or taken any action to unwind any financial collateral arrangements in respect of any relevant securities of Inmarsat during the disclosure period;

- (vii) none of Inmarsat, or any person acting in concert with Inmarsat has any Note 11 arrangement with any person in respect of the relevant securities; and
- (viii) none of Bidco, or any or any person acting in concert with Bidco has any Note 11 arrangement with any person in respect of the relevant securities.

## 5. United Kingdom taxation

The comments set out below are based on current UK tax law as applied in England and Wales and HM Revenue & Customs published practice (which may not be binding on HM Revenue & Customs) as at the date of this document, both of which are subject to change, possibly with retrospective effect. They are intended as a general guide to certain limited aspects of the UK tax treatment of the Scheme and, in particular, paragraph 5.1 of this paragraph 5 applies only to Scheme Shareholders resident and, in the case of an individual, domiciled for tax purposes in (and only in) the UK and to whom “split year” treatment does not apply, who hold their Scheme Shares as an investment (other than under a pension arrangement or an ISA or a Lifetime ISA) and who are the absolute beneficial owners thereof (“**UK Holders**”). The discussion does not address all possible tax consequences relating to the Scheme. Certain categories of Scheme Shareholders, including those carrying on certain financial activities, those subject to specific tax regimes or benefitting from certain reliefs and exemptions, those connected with Inmarsat, and those for whom the shares are employment-related securities, may be subject to special rules and this summary does not apply to such shareholders.

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

### 5.1 UK taxation of chargeable gains

A UK Holder’s liability to UK tax on chargeable gains will depend on the individual circumstances of that UK Holder.

The transfer of Scheme Shares under the Scheme in return for the Cash Consideration (but not, for the avoidance of doubt, the Final Dividend which will be subject to UK tax as dividend income) should be treated as a disposal of the UK Holder’s Scheme Shares for the purposes of UK tax on chargeable gains. That disposal may, depending on the UK Holder’s individual circumstances (including the availability of exemptions, reliefs or allowable losses), give rise to a liability to UK tax on chargeable gains or, alternatively, an allowable capital loss. Any chargeable gain or allowable loss will be calculated by reference to (i) the sterling equivalent of the US dollar Cash Consideration, computed at the applicable spot rate on the Effective Date or (ii) for UK Holders who have made a valid Currency Election under the Currency Conversion Facility, the Sterling Cash Consideration received.

#### *Individual Scheme Shareholders*

Subject to available reliefs or allowances, chargeable gains arising on a disposal of Scheme Shares by an individual UK Holder will be subject to UK capital gains tax at the rate of (for the 2019 / 2020 tax year) 10 per cent., except to the extent that the chargeable gain, when it is added to the individual UK Holder’s other taxable income and chargeable gains in the relevant tax year, exceeds the upper limit of the income tax basic rate band, in which case it will be taxed at the rate of (for the 2019 / 2020 tax year) 20 per cent.

The annual tax-free allowance for UK capital gains tax (£12,000 for the 2019 / 2020 tax year) may be available to individual UK Holders to offset against chargeable gains realised on the disposal of their Scheme Shares.

#### *Scheme Shareholders within charge to UK corporation tax*

Subject to available exemptions, reliefs or allowances, chargeable gains arising on a disposal of Scheme Shares by a UK Holder within the charge to UK corporation tax will be subject to UK corporation tax (currently at 19 per cent.).

### 5.2 UK stamp duty and Stamp Duty Reserve Tax (“SDRT”)

No UK stamp duty or SDRT will be payable by Scheme Shareholders on the transfer of their Scheme Shares under the Scheme.

## 6. Bases of calculation and sources of information

In this document, unless otherwise stated or the context otherwise requires, the bases and sources used are as set out in Part 8 (*Sources of Information and Bases of Calculation*) of this document.

## 7. Irrevocable undertakings

### *Inmarsat Directors*

As at the Latest Practicable Date, Bidco and its concert parties had procured the following irrevocable undertakings in relation to relevant securities of Inmarsat to, amongst other things, vote (or, if applicable, procure their spouses to vote) in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Inmarsat General Meeting (or, if applicable, to accept the Offer) in relation to the following Inmarsat Shares currently held by them as well as any further Inmarsat Shares which they may become the registered or beneficial owner of or otherwise interested in:

<i>Name</i>	<i>Number of Inmarsat Shares</i>	<i>Percentage of issued share capital of Inmarsat</i>
Dr Abraham Peled . . . . .	24,000	0.005
Andrew Sukawaty (and spouse) . . . . .	1,199,184	0.259
Sir Bryan Carsberg . . . . .	16,327	0.004
Ambassador Janice Obuchowski . . . . .	7,000	0.002
Phillipa McCrostie . . . . .	2,000	0.000
General C. Robert Kehler (Rtd) . . . . .	3,000	0.001
Rupert Pearce . . . . .	1,065,057	0.230
Simon Bax (and spouse) . . . . .	23,000	0.005
Tony Bates . . . . .	176,127	0.038
Warren Finegold . . . . .	30,000	0.006
<b>TOTAL</b> . . . . .	<b>2,545,695</b>	<b>0.55</b>

The obligations of the Inmarsat Directors under the irrevocable undertakings they have given shall lapse and cease to have effect if:

- Bidco elects to exercise its right to implement the Acquisition by way of a Takeover Offer, and the Offer Document is not sent to Inmarsat Shareholders within 28 days (or such longer period as the Panel may agree) of the issue of the press announcement announcing such election;
- the Scheme (or Takeover Offer, as applicable) lapses or is withdrawn in accordance with its terms, provided that the reason is not because Bidco has elected to proceed by way of a Takeover Offer rather than by way of a Scheme; or
- the Acquisition has not become Effective by the Long Stop Date.

### *Inmarsat Shareholder*

Lansdowne Partners, as investment manager of the following holders, controllers or beneficial owners of Inmarsat Shares has given an irrevocable undertaking that it shall, or shall procure that the registered holder of such Inmarsat Shares shall, amongst other things, vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the Inmarsat General Meeting in relation to the following Inmarsat Shares as well as any further Inmarsat Shares which the relevant holders, controllers or beneficial owners or their subsidiaries become the registered or beneficial owner of or become otherwise interested in:

<i>Name</i>	<i>Number of Inmarsat Shares</i>	<i>Percentage of issued share capital of Inmarsat</i>
Lansdowne Developed Markets Master Fund Limited . . . . .	42,828,336	9.2%
Lansdowne Developed Markets Strategic Investment Master Fund Limited . . . . .	6,059,111	1.3%
Lansdowne Lothbury Master Fund Limited . . . . .	3,998,434	0.9%
<b>TOTAL</b> . . . . .	<b>52,885,881</b>	<b>11.4%</b>

The irrevocable undertaking given by Lansdowne Partners will cease to be binding if:

- the Scheme does not become Effective or, if the Acquisition is to be implemented as a Takeover Offer, rather than a Scheme, the Takeover Offer does not become wholly unconditional, in either case on or before the Long Stop Date provided that in the case of a Scheme the reason is not because Bidco has elected to proceed by way of a Takeover Offer rather than by way of a Scheme;



- Bidco announces that it does not intend to proceed with a Takeover Offer and no new, revised or replacement Scheme or Takeover Offer is announced by Bidco; or
- if acting in accordance with the terms of the irrevocable undertaking, Lansdowne Partners accept or vote in favour of a Competing Offer (as defined below).

If prior to the Scheme becoming effective or, if the Acquisition is to be implemented as a Takeover Offer, rather than a Scheme, prior to such Takeover Offer becoming wholly unconditional, any person other than Bidco or a person acting in concert with Bidco announces a firm intention to make an offer to acquire Inmarsat (a “**Competing Offer**”), Lansdowne Partners is permitted to accept or vote in favour of such Competing Offer provided that: (i) such Competing Offer is at a price, or is in exchange for such number of shares (or other securities) that, in the reasonable opinion of the Inmarsat Board having taken advice from its financial advisers, implies a value for each Inmarsat Share that exceeds the Cash Consideration available under the Takeover Offer by at least five per cent.; and (ii) Bidco has not announced a firm intention to make a revised offer for an equivalent or improved consideration (in the reasonable opinion of Bidco’s financial advisers) to that available under such Competing Offer by 5.00 p.m. on the tenth business day after the date of the announcement of the Competing Offer.

Following completion of the Court Meeting and the Inmarsat General Meeting, Lansdowne Partners is permitted to transfer its Inmarsat Shares.

## 8. **Financing and cash confirmation**

The Cash Consideration payable to Inmarsat Shareholders pursuant to the Acquisition will be financed by a combination of equity to be invested by the Apax Funds, the Warburg Pincus Funds, CPPIB and OTPP and debt to be provided under an Interim Facilities Agreement. Further details in respect of the Interim Facilities Agreement are set out in paragraph 10 below.

In connection with their equity financing of Bidco, the Apax Funds, the Warburg Pincus Funds, CPPIB and OTPP have each entered into Equity Commitment Letters. The members of the Consortium may syndicate part of their funding commitments, subject to the terms of the Co-operation Agreement.

UBS, as lead financial adviser to Bidco and the Consortium, is satisfied that cash resources available to Bidco are sufficient to enable it to satisfy in full the Cash Consideration payable to Inmarsat Shareholders under the terms of the Acquisition.

## 9. **Offer-related arrangements**

### *Confidentiality Agreement and Back-to-Back Confidentiality Agreements*

Apax, Warburg Pincus International LLC and Inmarsat have entered into the Confidentiality Agreement pursuant to which each party has undertaken, amongst other things: (i) to keep confidential information relating to the Acquisition and to the other party confidential and not to disclose it to third parties (other than certain permitted parties) other than as required by law or regulation; and (ii) to use the confidential information for the purpose of the Acquisition. These confidentiality obligations will remain in force until the earlier of 12 months after the date of the Confidentiality Agreement (being 28 January 2020) or Completion. The agreement also contains certain provisions pursuant to which each party has agreed not to solicit employees of the other party, subject to customary carve-outs, for a period of 12 months.

Each of CPPIB and OTPP have entered into Back-to-Back Confidentiality Agreements with Apax and Warburg Pincus International LLC, dated 28 January 2019 and 30 January 2019, respectively, pursuant to which they have agreed to adhere to certain terms of the Confidentiality Agreement as if they are a party thereto.

### *Clean Team and Joint Defence Agreement*

Apax, Warburg Pincus International LLC, CPPIB, OTPP, Inmarsat and their respective legal advisers have also entered into the Clean Team and Joint Defence Agreement (which, in the case of the legal advisers engaged by CPPIB and OTPP, was effected by such legal advisers entering into separate letters of adherence), the purpose of which is to stipulate the procedure for the sharing of each of the Apax Funds’, the Warburg Pincus Funds’, CPPIB’s, OTPP’s and Inmarsat’s commercially sensitive information with each other during the due diligence exercise to ensure that the exchange of such commercially sensitive information remains compliant with antitrust laws and to ensure that such sharing does not constitute a waiver of privilege, right or immunity otherwise available.

### ***Co-operation Agreement***

Inmarsat and Bidco have entered into the Co-operation Agreement, pursuant to which, among other things: (i) each of Inmarsat and Bidco have agreed to co-operate for the purposes of obtaining all consents, clearances, permissions, waivers and/or approvals as may be necessary, and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable regulatory authority in connection with the Acquisition; (ii) Bidco has agreed to provide Inmarsat with certain information for the purposes of this document and to otherwise assist with the preparation of this document; (iii) Bidco has agreed to certain provisions if the Scheme should switch to a Takeover Offer; (iv) each of Inmarsat and Bidco have agreed to co-operate in preparing and implementing appropriate proposals in relation to the Inmarsat Share Plans and the Inmarsat Convertible Bonds; and (v) Inmarsat and Bidco have agreed certain arrangements in respect of annual bonuses for financial year 2019 and maintenance of severance policies.

The Co-operation Agreement will terminate in certain circumstances, including: (i) at Bidco's election if the Inmarsat Board withdraws its recommendation of the Acquisition; (ii) at either party's election if: (a) prior to the Long Stop Date, Bidco invokes a Condition (with permission of the Panel); (b) a competing proposal becomes effective or is declared or becomes unconditional in all respects; or (c) if the Acquisition is withdrawn, terminated or lapses, or if the Scheme does not become Effective by the Long Stop Date; and (iii) otherwise as agreed by Bidco and Inmarsat.

Bidco has agreed with Inmarsat that in certain circumstances where the Acquisition is to be implemented by way of a Takeover Offer rather than the Scheme: (i) it will not, without the prior consent of Inmarsat, declare the Takeover Offer unconditional as to acceptances prior to the last date permitted under (or extended in accordance with) Rule 31.6 of the Takeover Code ("**Day 60**"), unless all of the remaining Conditions either: (a) have been satisfied or waived (if capable of waiver); or (b) are reasonably expected to be satisfied or waived (if capable of waiver) prior to the last date permitted under Rule 31.7 of the Takeover Code; (ii) if, following the Offer having become or being declared unconditional as to acceptances, any of Conditions 3(a) to 3(m) set out in Part A of Part 3 (*Conditions to and Further Terms of the Acquisition*) of this document (the "**Specified Regulatory Conditions**") has not been satisfied by the last day permitted under Rule 31.7 of the Takeover Code, it shall (x) waive all other outstanding Conditions that are capable of waiver and (y) seek the consent of the Panel to extend such deadline to a date (not later than the Long Stop Date) agreed with Inmarsat and the Panel which, in the reasonable opinion of Inmarsat, allows sufficient time for satisfaction of the relevant Specified Regulatory Conditions; and (iii) if at any time following the publication of the Offer Document it is reasonably expected that any outstanding Specified Regulatory Conditions are not likely to be satisfied or waived (if capable of waiver) prior to the last date permitted under Rule 31.7 of the Takeover Code, Bidco shall consult with Inmarsat and the Panel as to whether an extension to Day 60 should be sought rather than an extension under Rule 31.7 and, if so, seek the consent of the Panel to extend Day 60 to a date (not later than the Long Stop Date) agreed with Inmarsat and the Panel.

Bidco has agreed with Inmarsat in the Co-operation Agreement cash retention awards of up to a maximum of \$1.5m in aggregate for Inmarsat Group employees below executive management level whose retention is considered critical for the successful completion of the Acquisition.

## **10. Material contracts**

### **(a) *Inmarsat***

Save as disclosed below, Inmarsat and its subsidiaries have not, during the period beginning on 19 March 2017 and ending on the Latest Practicable Date, entered into any material contract otherwise than in the ordinary course of business. The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by Inmarsat and its subsidiaries in the period beginning on 19 March 2017 and ending on the Latest Practicable Date.

#### **(A) Co-operation Agreement**

See section 9 above for details of the Co-operation Agreement entered into between Inmarsat and Bidco.

#### **(B) Revolving Credit Facility**

Inmarsat Investments Limited, as borrower and certain subsidiaries of Inmarsat Investments Limited and Inmarsat Group Limited, as guarantors, entered into a multicurrency revolving credit facility

agreement, dated 30 June 2011 as amended and restated on 22 May 2015, further amended and restated on 16 July 2018 and subsequently amended on 19 November 2018 and on 22 February 2019 (the “**Revolving Credit Facility**”). The Revolving Credit Facility was made available by Bank of America Merrill Lynch International Limited, BNP Paribas, London Branch, Crédit Agricole Corporate and Investment Bank, Credit Suisse AG, London Branch, DNB (UK) Limited, HSBC UK Bank plc, ING Bank N.V., JPMorgan Chase Bank, N.A., London Branch, Mizuho Bank, Ltd., National Westminster Bank plc and Sumitomo Mitsui Banking Corporation, London Branch as lenders and National Westminster Bank plc as agent and security agent. We paid customary fees to the lenders under the Revolving Credit Facility for making the Revolving Credit Facility available.

The Revolving Credit Facility provides a multicurrency revolving loan facility in an aggregate amount of US\$750.2 million. The Revolving Credit Facility also contains provisions allowing for the facility size to be increased. Under these provisions, Inmarsat Investments Limited can request an increase in the total commitments by a maximum of US\$150.0 million from any of the existing lenders willing to provide such increase and/or from any additional lenders which accede to the Revolving Credit Facility.

An amount of the Revolving Credit Facility not exceeding US\$50.0 million may be utilised by way of an ancillary facility, which (amongst other things) includes stand-by letter of credit facility, overdraft facility, short-term loan facility, derivatives facility, foreign exchange facility or any other facility or accommodation required in connection with the business of the group (being for the purposes of this “Revolving Credit Facility” section, Inmarsat Investments Limited and its subsidiaries).

#### *Interest rates*

Advances under the Revolving Credit Facility bear interest for each interest period at a rate per annum equal to LIBOR or, in relation to any advance in euro, EURIBOR, plus an applicable margin of between 0.70 per cent. and 2.00 per cent. determined by reference to the ratio of total net debt to EBITDA pursuant to a margin “ratchet”.

#### *Guarantees and security*

The borrower’s obligations under the Revolving Credit Facility are guaranteed by Inmarsat Investments Limited, Inmarsat Ventures SE, Inmarsat Global Limited, Inmarsat Leasing (Two) Limited, Inmarsat Group Limited, Europasat Limited, Inmarsat Solutions (Canada) Inc., Inmarsat Solutions B.V., Inmarsat SA and Inmarsat New Ventures Limited. The obligations of the guarantors are joint and several.

Subject to certain conditions, Inmarsat Investments Limited must procure that the aggregate of the unconsolidated total assets of the guarantors exceeds 85 per cent. of the consolidated total assets of the group and that the aggregate of the unconsolidated subsidiary EBITDA of the guarantors exceeds 85 per cent. of the consolidated EBITDA of the group, in each case calculated by reference to the then most recent audited unconsolidated financial statements of each guarantor, if available, and, if not available, calculated by reference to the audited consolidated financial statements of Inmarsat Investments Limited subject to the receipt of audited unconsolidated financial statements of each guarantor as soon as they are available, and in the case of Inmarsat Solutions (Canada) Inc. only, calculated by reference to the audited consolidated financial statements of Inmarsat Investments Limited.

In addition, the Revolving Credit Facility benefits from a share pledge granted by Inmarsat Investments Limited over the entire issued share capital of Inmarsat Ventures SE and a share charge granted by Inmarsat Investments Limited over the entire issued ordinary share capital of Inmarsat New Ventures Limited.

The Revolving Credit Facility contains the ability to, subject to the applicable conditions (including the satisfaction of a total net debt to EBITDA test and the consent of the permitted senior lenders under the Intercreditor Agreement (other than the lenders under the Revolving Credit Facility)) release the share security.

#### *Maturity*

The Revolving Credit Facility will mature on 16 July 2023. Each advance under the Revolving Credit Facility must be repaid on the last day of each interest period with respect to the advance and amounts repaid may be redrawn (subject to satisfaction of certain conditions).

### *Use of proceeds*

The proceeds of the loans under the Revolving Credit Facility are available for general corporate purposes.

### *Voluntary and mandatory prepayment*

The Revolving Credit Facility allows for voluntary prepayments and requires mandatory prepayment in full or in part in certain circumstances. Mandatory prepayments are required if:

- it becomes unlawful in any applicable jurisdiction for a lender to perform its obligations or to fund or maintain its participation in any loan or it becomes unlawful for any affiliate of a lender for that lender to do so;
- there is a change of control of Inmarsat or Inmarsat Investments Limited; and
- subject to certain customary exceptions, insurance claim proceeds are received in excess of US\$5.0 million (or its equivalent) in any financial year.

### *Representations, warranties, undertakings and events of default*

The Revolving Credit Facility contains customary representations.

In addition, it contains covenants including those that restrict or prohibit Inmarsat Investments Limited and/or the other obligors (subject to certain agreed exceptions) from, among other things:

- selling, transferring, leasing or otherwise disposing of any of their assets;
- creating security interests over any part of their assets;
- entering into any amalgamation, demerger, merger or corporate reconstruction;
- materially changing the general nature of their business;
- cancelling any current material insurance policies;
- conducting certain acquisitions or investments;
- incurring or having outstanding certain financial indebtedness;
- being a creditor in respect of financial indebtedness;
- issuing any guarantee, indemnity, bond or letter of credit in respect of liabilities of any other person;
- making any repayment of principal or payment of interest in respect of certain notes, except as permitted by the Intercreditor Agreement;
- declaring or paying certain dividends or making certain other distributions to shareholders; and
- reducing, returning, purchasing, repaying cancelling or redeeming any of its shares.

In addition, the Revolving Credit Facility requires us to maintain specified consolidated financial ratios, such as EBITDA to total net interest payable and total net debt to EBITDA.

The Revolving Credit Facility contains certain other customary affirmative undertakings.

The Revolving Credit Facility contains customary events of default (subject to the applicable exceptions and grace periods), including, among others:

- non-payment of amounts due under a finance document;
- breach of financial covenants;
- breach of any other provision of the finance documents;
- any representation or written statement in a finance document being incorrect or misleading in any material respect;
- certain insolvency, administration, liquidation, winding up or related events including creditors' process;
- cross-default when any financial indebtedness in an aggregate amount of US\$30.0 million or more is not paid when due or is capable of being declared due and payable;

- cessation of business;
- certain obligors ceasing to be subsidiaries of Inmarsat Investments Limited;
- breach of any term in the Intercreditor Agreement where the interests of the lenders under the finance documents are reasonably likely to be materially prejudiced by such breach;
- certain material litigation is commenced or threatened;
- any security or guarantee under certain finance documents, including the Revolving Credit Facility is no longer in full force and effect; and
- a material adverse effect occurs.

At any time after the occurrence of an event of default the majority lenders may terminate the availability of the facility, declare any outstanding advances due and payable or payable on demand, and/or declare that full cash cover in respect of such amounts is immediately due and payable.

(b) ***Bidco***

Save as disclosed below, Bidco has not, during the period beginning on 19 March 2017 and ending on the Latest Practicable Date, entered into any material contract otherwise than in the ordinary course of business. The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by Bidco in the period beginning on 19 March 2017 and ending on the Latest Practicable Date.

**(A) Co-operation Agreement**

See section 9 above for details of the Co-operation Agreement entered into between Bidco and Inmarsat.

**(B) Interim Facilities Agreement**

Under the terms of the Interim Facilities Agreement, the Interim Lenders agreed to make available to Finco an interim term loan facility in an aggregate amount equal to USD 3,625,000,000 (“**Interim Facility B**”) and an interim multi-currency revolving facility in an aggregate amount equal to USD 700,000,000 (the “**Interim RCF**” and, together with Interim Facility B, the “**Interim Facilities**”). The proceeds of loans drawn by Finco under the Interim Facilities are to be made available to Bidco and applied by Bidco, among other things, towards financing part of the aggregate Cash Consideration payable by Bidco pursuant to the Acquisition and/or refinancing or otherwise discharging certain existing indebtedness of the Inmarsat Group.

Interim Facility B is available to be utilised in US dollars and the Interim RCF is available to be utilised in US dollars, euro, sterling, Canadian dollars, Swiss francs, Japanese yen and such other currencies as may be agreed with the lenders under the Interim RCF.

The Interim Facilities are available to be drawn, subject to satisfaction of the conditions precedent set out in the Interim Facilities Agreement, from the date of the Interim Facilities Agreement to 11.59 p.m. (New York time) on the last day of the Certain Funds Period (as defined below).

Under the Interim Facilities Agreement, “**Certain Funds Period**” is defined as the period from (and including) the date of the Interim Facilities Agreement to (and including) 11.59 p.m. in New York on the earliest of: (a) if the Acquisition is intended to be completed pursuant to a scheme of arrangement, the date on which the scheme of arrangement lapses (including, subject to exhausting any rights of appeal, if a relevant court refuses to sanction the scheme of arrangement) or is withdrawn in writing, in each case, in accordance with its terms (other than (i) where such lapse or withdrawal is as a result of the exercise of Bidco’s right to effect a switch from a scheme of arrangement to a Takeover Offer or (ii) it is otherwise to be followed within 10 Business Days by an announcement by Bidco to implement the Acquisition by a different Takeover Offer or scheme of arrangement (as applicable) in accordance with the terms of the Interim Facilities Agreement); (b) if the Acquisition is intended to be completed pursuant to a Takeover Offer, the date on which the Takeover Offer lapses, terminates or is withdrawn, in each case, in accordance with its terms (other than (i) where such lapse or withdrawal is as a result of the exercise of Bidco’s right to effect a switch from the Takeover Offer to a scheme of arrangement or (ii) it is otherwise to be followed within 10 Business Days by an announcement by Bidco to implement

the Acquisition by a different Takeover Offer or scheme of arrangement (as applicable) in accordance with the Interim Facilities Agreement); (c) the date on which Interim Facility B has been utilised in full; and (d) the date falling on the earlier of: (i) the first Business Day following the date falling at least nine months after the date of the Press Announcement; provided that (A) if the Regulatory Conditions have not been satisfied and/or waived (in accordance with the terms of the Interim Facilities Agreement) by Bidco and (B) the Effective Date has not occurred, in each case, by 10 December 2019, such date shall automatically be extended to 25 March 2020; and (ii) the date falling 60 days after the first drawdown of the Interim Facilities, or, in each case, such later time as agreed by the Arrangers (acting reasonably and in good faith).

The final maturity date of the Interim Facilities is 90 days after the date on which the first drawdown of the Interim Facilities occurs (by which date, the Interim Facilities would need to be replaced and refinanced). The Interim Facilities may also be voluntarily prepaid and/or cancelled at any time.

The Interim Facilities Agreement contains customary representations and warranties, affirmative and negative covenants (including covenants in respect of financial indebtedness, disposals, security, permitted holding company activity, dividends and share redemption, acquisitions, mergers and joint ventures and conduct of the Takeover Offer and/or Scheme), indemnities and events of default, each with appropriate carve-outs and materiality thresholds applicable to Finco and Bidco.

The rate of interest payable on each loan drawn under Interim Facility B is the aggregate of the applicable margin plus either the Alternate Base Rate or Adjusted LIBOR (as applicable) and the rate of interest paid on each loan drawn under the Interim RCF is the aggregate of the applicable margin plus the Alternate Base Rate, Adjusted LIBOR, EURIBOR, LIBOR or CDOR (as applicable). The margin on Interim Facility B is 3.25 per cent. if in aggregate with the Alternate Base Rate or 4.25 per cent. if in aggregate with Adjusted LIBOR and the margin on the Interim RCF is 2.50 per cent. if in aggregate with Alternate Base Rate or 3.50 per cent. if in aggregate with Adjusted LIBOR, EURIBOR, LIBOR or CDOR. Commitment fees and underwriting and arrangement fees, among other fees, are also payable under the terms of the Interim Facilities Agreement and ancillary documentation.

As a condition precedent to the first drawdown of the Interim Facilities, the secured parties under the Interim Facilities Agreement would receive the benefit of security including a Guernsey law security interest over all the shares of Bidco and a Luxembourg law security interest over all of the shares in Finco.

### **(C) Equity Commitment Letter**

In connection with their equity financing of Bidco, the Apex Funds, the Warburg Pincus Funds, CPPIB and OTPP have each, on a several basis, entered into the Equity Commitment Letter, which sets out the basis on which the members of the Consortium will invest, directly or indirectly, in immediately available funds, their respective share of \$3,075,000,000 in Bidco for the purposes of financing the consideration payable for the Scheme Shares. Pursuant to the terms of the Equity Commitment Letter, each member of the Consortium will procure that such investment has occurred no later than two Business Days prior to the date by which Bidco must pay the Cash Consideration.

### **(D) Pension Trustee Confidentiality Agreement**

Bidco and Inmarsat Trustee Company Limited (the “Trustee”) have entered into the Pension Trustee Confidentiality Agreement pursuant to which Bidco has undertaken, amongst other things, to keep confidential information relating to the funding or investments of the Inmarsat Pension Plan and discussions and negotiations between the Trustee and Bidco. The Trustee has undertaken, amongst other things, to keep confidential information relating to the Acquisition, Bidco’s intentions and plans in respect of the Inmarsat Pension Plan and Bidco and the members of the Consortium and their affiliates. Both Bidco and the Trustee have undertaken to only use the confidential information for the purpose of discussions relating to the intentions of Bidco as regards the administration and management of the Inmarsat Pension Plan following completion of the Acquisition and not to disclose such confidential information to third parties (other than certain permitted parties or as required by law or regulation). These confidentiality obligations will remain in force until the earlier of 12 months after the date of the Confidentiality Agreement (being 4 April 2020) or Completion.

## 11. Inmarsat Directors' service contracts and letters of appointment

Save as disclosed below, there are no service contracts in force between any director or proposed director of Inmarsat and Inmarsat or any of its subsidiaries and no such contract has been entered into or amended during the six months preceding the date of this document:

### Service contracts and remuneration

Save as disclosed below, there are no service contracts or letters of appointment in force between any Inmarsat Director or proposed director of Inmarsat and any member of the Inmarsat Group and, save as disclosed below, no such contract or letter of appointment has been entered into or amended during the six months preceding the date of this document:

#### (a) *Inmarsat Executive Directors*

The Inmarsat Executive Directors have entered into terms of engagement with the Inmarsat Group as summarised below:

#### **Rupert Pearce**

Rupert Pearce is Inmarsat's Chief Executive Officer. He is engaged under a service agreement with Inmarsat dated 18 January 2012 and his appointment is for an indefinite term. He is entitled to an annual base salary of £600,400, an annual bonus of up to 200 per cent. of annual salary and an annual performance share award of up to 250 per cent. of annual salary.

Mr Pearce's appointment can be terminated by Inmarsat by giving 12 months' written notice. He may resign his appointment by giving 12 months' written notice. Mr Pearce's appointment may be terminated with immediate effect by Inmarsat giving notice of its intention to make a payment in lieu of notice. This payment will be paid in equal monthly instalments and must be equal to the base salary and bonus he would have received during any unexpired part of his notice period. Mr Pearce may be placed on garden leave.

#### **Tony Bates**

Tony Bates is Inmarsat's Chief Financial Officer. He is engaged under a service agreement with Inmarsat dated 21 February 2014 and his appointment is for an indefinite term. He is entitled to an annual base salary of £491,800, an annual bonus of up to 200 per cent. of annual salary and an annual performance share award of up to 250 per cent. of annual salary.

Mr Bates' appointment can be terminated by Inmarsat by giving 12 months' written notice. He may resign his appointment by giving six months' written notice. Mr Bates' appointment may be terminated with immediate effect by Inmarsat giving notice of its intention to make a payment in lieu of notice. This payment will be paid in equal monthly instalments and must be equal to 12 months' base salary, plus 5 per cent. of base salary per month to cover his contractual benefits, and any bonus payment, pro-rated, which may be made prior to the termination date. Mr Bates may be placed on garden leave.

The Inmarsat Executive Directors receive benefits including life assurance, private healthcare insurance and permanent health insurance. Under Inmarsat's pension arrangements, both Executive Directors receive a cash allowance of 12.5 per cent. of their salary (capped at a maximum pensionable salary of £160,200).

Both of Inmarsat's Executive Directors are subject to post-termination restrictive covenants which restrict them from soliciting certain customers, clients or employees without the prior written consent of the Inmarsat Board, or from interfering with certain suppliers, for the period of 12 months after the termination of their appointments.

(b) *Inmarsat Non-Executive Directors*

The Inmarsat Non-Executive Directors have entered into terms of engagement with the Inmarsat Group as summarised below:

<u>Name</u>	<u>Date of contract</u>	<u>Unexpired term of directorship</u>	<u>Notice periods</u>	<u>Remuneration (salary and other benefits)</u>	<u>Compensation upon early termination</u>
Simon Bax	28 May 2013	Non-Executive Directors are subject to annual re-election at Inmarsat annual general meetings	Three months' written notice from either party	Basic Non-Executive Director fee of £56,182 £15,300 for role as Chairman of Remuneration Committee	Director will be entitled to notice No additional severance payment is due under the appointment letter
Sir Bryan Carsberg	18 April 2005	Non-Executive Directors are subject to annual re-election at Inmarsat annual general meetings	Three months' written notice from either party	Basic Non-Executive Director fee of £56,182 £5,610 for Membership of Telecoms Regulatory Committee	Director will be entitled to notice No additional severance payment is due under the appointment letter
Tracy Clarke	29 January 2019	Non-Executive Directors are subject to annual re-election at Inmarsat annual general meetings	Three months' written notice from either party	Basic Non-Executive Director fee of £56,182 £5,610 for Membership of Remuneration Committee	Director will be entitled to notice No additional severance payment is due under the appointment letter
Warren Finegold	13 March 2017	Non-Executive Directors are subject to annual re-election at Inmarsat annual general meetings	Three months' written notice from either party	Basic Non-Executive Director fee of £56,182 £5,610 for Membership of each of Audit and Remuneration Committees	Director will be entitled to notice No additional severance payment is due under the appointment letter
General C. Robert Kehler (Rtd)	13 March 2014	Non-Executive Directors are subject to annual re-election at Inmarsat annual general meetings	Three months' written notice from either party	Basic Non-Executive Director fee of £56,182 £5,610 for Membership of each of Nominations and Remuneration Committees General Kehler also receives a fee equivalent to £56,182 as a director of Inmarsat Inc	Director will be entitled to notice No additional severance payment is due under the appointment letter



<u>Name</u>	<u>Date of contract</u>	<u>Unexpired term of directorship</u>	<u>Notice periods</u>	<u>Remuneration (salary and other benefits)</u>	<u>Compensation upon early termination</u>
Phillipa McCrostie	18 May 2016	Non-Executive Directors are subject to annual re-election at Inmarsat annual general meetings	Three months' written notice from either party	Basic Non-Executive Director fee of £56,182  £5,610 for Membership of each of Audit and Remuneration Committees	Director will be entitled to notice  No additional severance payment is due under the appointment letter
Ambassador Janice Obuchowski	6 May 2009	Non-Executive Directors are subject to annual re-election at Inmarsat annual general meetings	Three months' written notice from either party	Basic Non-Executive Director fee of £56,182  £5,610 for Membership of each of Audit and Telecoms Regulatory Committees	Director will be entitled to notice  No additional severance payment is due under the appointment letter
Dr Abraham Peled	10 May 2013	Non-Executive Directors are subject to annual re-election at Inmarsat annual general meetings	Three months' written notice from either party	Senior Independent Director fee of £87,190 (inclusive of Committee Fees; Dr Peled is Chairman of the Nominations Committee)	Director will be entitled to notice  No additional severance payment is due under the appointment letter
Robert Ruijter	16 December 2014	Non-Executive Directors are subject to annual re-election at Inmarsat annual general meetings	Three months' written notice from either party	Basic Non-Executive Director fee of £56,182  £15,300 for role as Chairman of Audit Committee	Director will be entitled to notice  No additional severance payment is due under the appointment letter
Andrew Sukawaty	16 September 2014	Non-Executive Directors are subject to annual re-election at Inmarsat annual general meetings	Three months' notice from either party	Non-Executive Chairman fee of £322,004 (inclusive of Committee Fees; Mr Sukawaty is Chairman of the Telecoms Regulatory Committee and member of the Nominations Committee)  Mr Sukawaty and his spouse benefit from private health insurance.	Director will be entitled to notice.  No additional severance payment is due under the appointment letter.

<u>Name</u>	<u>Date of contract</u>	<u>Unexpired term of directorship</u>	<u>Notice periods</u>	<u>Remuneration (salary and other benefits)</u>	<u>Compensation upon early termination</u>
Dr Hamadoun Touré	16 December 2014	Non-Executive Directors are subject to annual re-election at Inmarsat annual general meetings	Three months' written notice from either party	Basic Non-Executive Director fee of £56,182 £5,610 for Membership of each of Nominations and Telecoms Regulatory Committees	Director will be entitled to notice  No additional severance payment is due under the appointment letter

Inmarsat Directors' appointments are subject to election at the first annual general meeting following the appointment, and to re-election at each subsequent annual general meeting.

The fees payable to the Inmarsat Directors are subject to annual review by the Inmarsat Board or the Remuneration Committee of the Inmarsat Board, as applicable.

Save as disclosed above:

- (i) no Inmarsat Director is entitled to commission or profit-sharing arrangements; and
- (ii) other than statutory compensation and payment in lieu of notice, no compensation is payable by Inmarsat to any Inmarsat Director upon early termination of their appointment.

## 12. No significant change

Except as disclosed in this document, there has been no significant change in the financial or trading position of Inmarsat since 31 December 2018 (the date to which the latest audited accounts of Inmarsat were prepared).

## 13. Other information

- (a) Except as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Bidco or any person acting in concert with Bidco and any of the directors, recent directors, shareholders or recent shareholders of Inmarsat, or any person interested or recently interested in shares of Inmarsat having any connection with or dependence on the Acquisition.
- (b) Except as disclosed in this document, there is no agreement, arrangement or understanding by which any securities acquired in pursuance of the Acquisition will be transferred to any other person, but Bidco reserves the right to transfer any such shares to any member of the Bidco Group.

## 14. Consent

J.P. Morgan Cazenove has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which it appears.

PJT Partners has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which it appears.

Credit Suisse has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which it appears.

UBS has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which it appears.

Merrill Lynch has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which it appears.

Barclays has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which it appears.

## 15. Fees and expenses

- (a) Inmarsat estimates that the aggregate fees and expenses expected to be incurred by Inmarsat in connection with the Acquisition will be \$51.8 million (excluding applicable VAT and disbursements). Set out below are the estimates of fees and expenses (excluding applicable VAT and disbursements) expected to be incurred in relation to:

	\$
(i) financial and corporate broking advice .....	43 million
(ii) legal advice <sup>1</sup> .....	6.8 million
(iii) public relations advice .....	0.65 million
(iv) other professional services .....	0.1 million
(v) other costs and expenses .....	1.25 million

<sup>1</sup> These services are charged primarily by reference to hourly rates and, as at the Latest Practicable Date, the residual amount of time required has been estimated.

- (b) Bidco estimates that the aggregate fees and expenses expected to be incurred by Bidco in connection with the Acquisition will be \$191.4 million (including UK stamp duty but excluding applicable VAT and disbursements). Set out below are the estimates of fees and expenses (excluding applicable VAT and disbursements) expected to be incurred in relation to:

	\$
(i) financing arrangements <sup>1</sup> .....	130 million
(ii) financial and corporate broking advice .....	26.5 million
(iii) legal advice <sup>2</sup> .....	10 million
(iv) accounting advice <sup>2</sup> .....	4 million
(v) public relations advice .....	0.75 million
(vi) other professional services .....	3.35 million
(vii) other costs and expenses (including stamp duty) .....	16.8 million

<sup>1</sup> Refer to paragraph 8 of Part 6 (*Additional Information*) for further details of the Interim Facilities Agreement. The final fees will depend on the final terms of the financing package and market conditions at the time of debt syndication.

<sup>2</sup> These services are charged primarily by reference to hourly or daily rates and, as at the Latest Practicable Date, the residual amount of time required has been estimated.

## 16. Documents on display

Copies of the following documents are available, subject to any restrictions relating to persons resident in certain jurisdictions, at <https://investors.inmarsat.com/> and [www.inmarsatbidcoinfo.com](http://www.inmarsatbidcoinfo.com) respectively until the Effective Date:

- (a) this document;
- (b) the Forms of Proxy and Form of Election;
- (c) the Inmarsat Articles;
- (d) the memorandum and articles of association of Bidco;
- (e) a draft of the Amended Inmarsat Articles;
- (f) the Confidentiality Agreement, the Back to Back Confidentiality Agreements, the Clean Team and Joint Defence Agreement, the Co-operation Agreement and the Pension Trustee Confidentiality Agreement;
- (g) the irrevocable undertakings referred to in paragraph 7 above;
- (h) the documents in respect of the financing arrangements referred to in paragraph 8 above;
- (i) the written consents referred to in paragraph 14 above;

- (j) the Inmarsat annual report for the financial year ended 31 December 2017; and
- (k) the Inmarsat annual report for the financial year ended 31 December 2018.

Save as expressly referred to in this document, the contents of the websites referred to in this document are not incorporated into and do not form part of this document.

Dated: 18 April 2019

## PART 7

### NOTES FOR MAKING CURRENCY ELECTIONS

This section should be read in conjunction with the rest of this document and the Form of Election (including the accompanying notes on how to complete the Form of Election).

In particular, details of the Currency Conversion Facility are set out in paragraph 3 of Part 2 (*Explanatory Statement*) of this document.

#### 1. Elections by Inmarsat Shareholders holding Inmarsat Shares in certificated form

**Unless they elect otherwise, each Inmarsat Shareholder who holds Inmarsat Shares in certificated form as at the Scheme Record Time will receive the Cash Consideration which is payable to them under the Scheme, in US dollars.** Such Inmarsat Shareholders may elect to have the Cash Consideration which is payable to them under the Scheme paid in Sterling at the Average Market Exchange Rate obtained by Bidco through one or more market transactions over one or more Business Days following the Scheme Record Time before the relevant payment date under the Currency Conversion Facility.

If you hold Inmarsat Shares in certificated form and wish to make a Currency Election, you must complete and sign Part 3 of the green Form of Election in accordance with the instructions printed thereon and return it to Equiniti at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom.

If you hold Inmarsat Shares in both certificated and uncertificated form and you wish to make a Currency Election in respect of both such holdings, you must make a separate election in respect of each holding.

The green Form of Election assumes that an Inmarsat Shareholder who holds Inmarsat Shares in certificated form will make a Currency Election in respect of their entire holding of Inmarsat Shares in certificated form at the Scheme Record Time. If you hold Inmarsat Shares in certificated form and wish to make a Currency Election in respect of some (but not all) of your Inmarsat Shares, please contact the Shareholder Helpline.

#### 2. Elections by Inmarsat Shareholders holding Inmarsat Shares in uncertificated form (that is, in CREST)

If you are a CREST personal member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your participant ID and the member account ID under which your Inmarsat Shares are held. In addition, only your CREST sponsor will be able to send any TTE Instruction to Euroclear in relation to your Inmarsat Shares.

##### 2.1 Currency Elections

**Unless they elect otherwise, each Inmarsat Shareholder who holds Inmarsat Shares in uncertificated form (that is, in CREST) at the Scheme Record Time and does not make a valid Currency Election will receive the Cash Consideration which is payable to them under the Scheme in US dollars.** Such Inmarsat Shareholders may elect to have the Cash Consideration which is payable to them under the Scheme paid in Sterling at the Average Market Exchange Rate obtained by Bidco through one or more market transactions over one or more Business Days following the Scheme Record Time the relevant payment date under the Currency Conversion Facility.

**If you hold Inmarsat Shares in uncertificated form and wish to make a Currency Election, you must issue a TTE Instruction through CREST using the procedure described at paragraph 2.2 of this Part 7.**

**Each Inmarsat Shareholder who holds Inmarsat Shares in uncertificated form and does not make a valid Currency Election must ensure that an active US dollar Cash Memorandum Account is in place in CREST by no later than the Scheme Record Time.** In the absence of a US dollar Cash Memorandum Account, the payment of the Cash Consideration will not settle, resulting in a delay and the settlement of the Cash Consideration outside of CREST.

##### 2.2 TTE Instructions

The Election Return Time will be determined by the date of the Court Hearing (which remains to be set but is currently expected to take place during the fourth quarter of 2019). For technical reasons, it will not be

possible to send TTE Instructions to Euroclear before the date of the Court Hearing is known and the Completion timetable is announced. Once the date of the Court Hearing is set, the Company will announce the Election Return Time via a Regulatory Information Service (with such announcement being made available on Inmarsat's and Bidco's websites at <https://investors.inmarsat.com/> and [www.inmarsatbidcoinfo.com](http://www.inmarsatbidcoinfo.com) respectively, and communicated to Scheme Shareholders at around the same date as such announcement) and an appropriate event will be set up by Euroclear in CREST. It will be possible for TTE Instructions to be sent to Euroclear from such time onwards until the Election Return Time.

In order to make a Currency Election, CREST sponsors should send a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specifications and which must contain, in addition to the other information that is required for a TTE Instruction to settle in CREST, the following details:

- (a) the number of Inmarsat Shares in respect of which the Currency Election is being made (such Inmarsat Shares to be transferred to an escrow balance);
- (b) their member account ID;
- (c) their participant ID;
- (d) the participant ID of the escrow agent, Equiniti, in its capacity as a CREST Receiving Agent. This is "5RA29";
- (e) the member account ID(s) of the escrow agent, Equiniti, in its capacity as a CREST Receiving Agent. This is INMARGBP;
- (f) the ISIN of the relevant Inmarsat Shares (this is "GB00B09LSH68");
- (g) the intended settlement date (this should be as soon as possible and in any event by the Election Return Time);
- (h) the corporate action number for the transaction; this is allocated by Euroclear and can be found by viewing the relevant corporate action details on screen in CREST;
- (i) CREST standard delivery instructions priority of 80; and
- (j) a contact name and telephone number (inserted in the shared note field of the TTE Instruction).

After making the TTE Instruction, the CREST sponsor will not be able to access the Inmarsat Shares concerned in CREST for any transaction or for charging purposes. If the Scheme is implemented in accordance with its terms, the escrow agent will arrange for the cancellation of the Inmarsat Shares. Inmarsat Shareholders who hold Inmarsat Shares in uncertificated form are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedure outlined above.

Inmarsat Shareholders should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. Inmarsat Shareholders should therefore ensure that all necessary action is taken by them (or by their CREST sponsor) to enable a TTE Instruction relating to their Inmarsat Shares to settle before the Election Return Time. In doing so, Inmarsat Shareholders are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

TTE Instructions in relation to Currency Elections may only be made in relation to a specified number of Inmarsat Shares. An Inmarsat Shareholder may make a Currency Election in CREST in respect of all or part of their holding of Inmarsat Shares in uncertificated form at the Scheme Record Time.

If you hold Inmarsat Shares in both certificated and uncertificated form and you wish to make a Currency Election in respect of both such holdings, you must make a separate election in respect of each holding.

### 3. **Deadline for return of Form of Election and TTE Instructions**

**The latest time for Equiniti to receive your Form of Election will be 6.00 p.m. on the day of the Court Hearing (which is currently expected to take place during the fourth quarter of 2019).** You should allow sufficient time for posting for your Form of Election to be received.

**The latest time for receiving a TTE Instruction through CREST (applicable only for Inmarsat Shareholders who hold their Inmarsat Shares in uncertificated form and who wish to make an election under the Currency Conversion Facility) will be 6.00 p.m. (London time) on the day of the Court Hearing (which is currently expected to take place during the fourth quarter of 2019).**

Any changes to the Election Return Time (the latest time for Equiniti to receive your Form of Election or for a TTE Instruction to be received) will be announced by Inmarsat through a Regulatory Information Service, with such announcement being made available on Inmarsat's and Bidco's websites at <https://investors.inmarsat.com/> and [www.inmarsatbidcoinfo.com](http://www.inmarsatbidcoinfo.com) respectively, and communicated to Inmarsat Shareholders at around the same date as such announcement.

#### 4. **Withdrawals**

If you have returned a Form of Election and subsequently wish to withdraw or amend that Currency Election, please contact Equiniti in writing by 1.00 p.m. (London time) on the Election Return Date (which is expected to be a date falling in the fourth quarter of 2019). Please clearly specify whether you would like to withdraw or amend the Currency Election that you have made and ensure that your request contains an original signature. Any written requests of this nature should be sent to Equiniti. It is at Equiniti's absolute discretion to require the submission of a new Form of Election if an amendment is requested.

If you made a Currency Election for the Currency Conversion Facility through a TTE Instruction, you may withdraw your Currency Election through CREST by sending (or, if you are a CREST sponsored member, procuring that your CREST sponsor sends) an ESA Instruction to settle in CREST by no later than 1.00 p.m. (London time) on the Election Return Date (which is expected to be a date falling in the fourth quarter of 2019). Each ESA Instruction must, in order for it to be valid and to settle, include the following details:

- (a) the number of Inmarsat Shares to be withdrawn, together with their ISIN number, which is "GB00B09LSH68";
- (b) your member account ID;
- (c) your participant ID;
- (d) the participant ID of the escrow agent, Equiniti, in its capacity as a CREST Receiving Agent; this is "5RA29";
- (e) the relevant member account ID of the escrow agent, Equiniti; this is "INMARGBP";
- (f) the CREST transaction ID of the Currency Election to be withdrawn;
- (g) the intended settlement date for the withdrawal;
- (h) the corporate action number for the transaction: this is allocated by Euroclear and can be found by viewing the relevant corporate action details on screen in CREST; and
- (i) CREST standard delivery instructions priority of 80.

Any such withdrawal will be conditional upon Equiniti verifying that the withdrawal request is validly made. Accordingly, Equiniti will on behalf of Inmarsat and Bidco reject or accept the withdrawal or amendment by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message.

#### 5. **Late or incomplete Currency Elections**

If any Form of Election or TTE Instruction is received after the Election Return Time, which is currently expected to be 6.00 p.m. (London time) on a date falling in the fourth quarter of 2019 (or such later time (if any) to which the right to make a Currency Election may be extended), or such Form of Election or TTE Instruction is received before the relevant time and date but is not valid or complete in all respects at such time and date, such Currency Election or TTE Instruction (as applicable) shall for all purposes, subject to the following paragraph, be void (unless Inmarsat and Bidco, in their absolute discretion, determine to treat as valid, in whole or in part, any such Currency Election or TTE Instruction (as applicable)).

#### 6. **General**

Bidco will announce the Average Market Exchange Rate that it obtains in accordance with the terms of the Scheme and the aggregate Sterling amount payable to the Scheme Shareholders who have made a valid Currency Election.

No acknowledgements of receipt of any Form of Election, TTE Instruction or other documents will be given. All communications, notices, other documents and remittances to be delivered by or to or sent to or from Inmarsat Shareholders (or their designated agent(s)) or as otherwise directed will be delivered by or to or sent to or from such Inmarsat Shareholders (or their designated agent(s)) at their own risk.

Inmarsat, Bidco and their respective agents reserve the right to notify any matter to all or any Inmarsat Shareholders with registered addresses outside the United Kingdom or to the nominees, trustees or custodians for such Inmarsat Shareholders by announcement in the United Kingdom or paid advertisement in any daily newspaper published and circulated in the United Kingdom or any part thereof, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any such Inmarsat Shareholders to receive or see such notice. All references in this document to notice in writing, or the provision of information in writing, by or on behalf of Inmarsat, Bidco and their respective agents shall be construed accordingly. No such document shall be sent to an address outside the United Kingdom where it would or might infringe the laws of that jurisdiction or would or might require Inmarsat or Bidco to obtain any governmental or other consent or to effect any registration, filing or other formality with which, in the opinion of Inmarsat or Bidco, it would be unable to comply or which it regards as unduly onerous.

The Form of Election, TTE Instructions and all Currency Elections thereunder, and all action taken or made pursuant to any of these terms, shall be governed by and interpreted in accordance with the laws of England and Wales and shall be subject to the jurisdiction of the English Courts.

Execution of a Form of Election and/or the submission of a TTE Instruction (as applicable) by, or on behalf of, an Inmarsat Shareholder will constitute such Inmarsat Shareholder's agreement that the English Court are (subject to the paragraph below) to have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the creation, validity, effect, interpretation or performance of the Form of Election and/or TTE Instruction (as applicable), and for such purposes that such Inmarsat Shareholder irrevocably submits to the jurisdiction of the English Courts.

Execution of a Form of Election and/or the submission of a TTE Instruction (as applicable) by, or on behalf of, an Inmarsat Shareholder will constitute their agreement that the agreement in the paragraph above is included for the benefit of Inmarsat, Bidco and their respective agents and accordingly, notwithstanding the agreement in the paragraph above, each of Inmarsat, Bidco and their respective agents shall retain the right to, and may in its absolute discretion, bring proceedings in the courts of any other country which may have jurisdiction and that the relevant Inmarsat Shareholder irrevocably submits to the jurisdiction of the courts of any such country.

If the Acquisition does not become Effective, any Currency Election made shall cease to be valid.

Neither Inmarsat, Bidco nor any of their respective advisers or any person acting on behalf of any one of them shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of Currency Elections made under the Scheme on any of the bases set out in this section or otherwise in connection therewith.



## PART 8

### SOURCES OF INFORMATION AND BASES OF CALCULATION

Unless otherwise stated in this document:

1. The value of the existing issued and to be issued share capital pursuant to the Acquisition is based upon the issued share capital of Inmarsat as at the Latest Practicable Date, adjusted for the shares held by Inmarsat's employee benefit trust and the dilutive effect of in-the-money Awards outstanding under the Inmarsat Share Plans, being:
  - (a) issued ordinary share capital of 463,480,897 Inmarsat Shares as at the Latest Practicable Date;
  - (b) 76,612 Inmarsat Shares held by Inmarsat's employee benefit trust and included in the issued ordinary share capital; and
  - (c) 10,546,420 Inmarsat Shares being the expected number of ordinary shares that can be allotted pursuant to the exercise or vesting of in-the-money Awards outstanding under the Inmarsat Share Plans.
2. Unless otherwise stated, all prices and Closing Prices for Inmarsat Shares are closing middle market quotations derived from the London Stock Exchange Daily Official List (SEDOL).
3. The volume-weighted average price of an Inmarsat Share for the three-month period ended 18 March 2019 is derived from Bloomberg reported volume data and estimated from the beginning of 19 December 2018 to the end of 18 March 2019 (being the Business Day before the commencement of the Offer Period).
4. Sterling values of the Cash Value, Cash Consideration and/or value of the Acquisition are calculated using the Announcement Exchange Rate or the Latest Practicable Date Exchange Rate as indicated.

**PART 9**  
**DEFINITIONS**

The following definitions apply throughout this document, other than in the Scheme and in the notices of the Inmarsat Shareholder Meetings set out at the end of this document, unless the context requires otherwise:

**“2018 Full Year Results**

- Announcement”** ..... the unaudited financial results of Inmarsat for the year ended 31 December 2018, announced on 7 March 2019
- “Acquisition”** ..... the proposed acquisition by Bidco of the entire issued and to be issued share capital of Inmarsat to be implemented by the Scheme or, should Bidco so elect with the consent of the Panel and subject to the terms of the Co-operation Agreement, by means of a Takeover Offer
- “Amended Inmarsat Articles”** ..... the amended and restated articles of association of Inmarsat as described in paragraph 14(d) of Part 2 (*Explanatory Statement*) of this document which are proposed to be adopted at the Inmarsat General Meeting
- “Announcement Exchange Rate”** ..... the exchange rate of £:\$ of £1: \$1.3209 as on 22 March 2019 as derived from data provided by Bloomberg
- “Apax”** ..... Apax Partners LLP
- “Apax Funds”** ..... funds advised by Apax
- “Apax Responsible Persons”** ..... the persons from Apax whose names are listed in paragraph 2(c) of Part 6 (*Additional Information*) of this document
- “Arrangers”** ..... Barclays Bank PLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, UBS Securities LLC, BNP Paribas Fortis S.A./N.V., Banca IMI Spa, London Branch, DNB (UK) Limited, HSBC Bank plc, ING Bank N.V., MUFG Bank, Ltd., Natixis, New York Branch, Natwest Markets plc, Sumitomo Mitsui Banking Corporation and The Bank of Nova Scotia, London Branch
- “associated undertaking”** ..... has the meaning given by paragraph 19 of Schedule 6 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 other than paragraph 19(1)(b) of Schedule 6 to those Regulations
- “Authorisations”** ..... authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals
- “Average Market Exchange Rate”** ..... the average \$:£ exchange rate to be calculated by dividing the total amount of US dollars converted by Bidco pursuant to the Currency Conversion Facility by (the total amount of Sterling received by Bidco pursuant to such currency conversion trades *less* any applicable and properly incurred transaction and dealing costs associated with such conversion)
- “Awards”** ..... awards under the Inmarsat Share Plans
- “Back-to-Back Confidentiality**
- Agreements”** ..... the back-to-back confidentiality agreements entered into by CPPIB and OTPP pursuant to which they each agreed to adhere to certain provisions of the Confidentiality Agreement
- “Barclays”** ..... Barclays Bank PLC, acting through its investment bank

“ <b>Bidco</b> ”	Connect Bidco Limited (formerly known as Triton Bidco (Guernsey) Limited), a company incorporated in Guernsey with company number 66187
“ <b>Bidco Directors</b> ”	the directors of Bidco from time to time
“ <b>Bidco Group</b> ”	Bidco, and any undertaking which is a subsidiary undertaking of Bidco
“ <b>Business Day</b> ”	a day (other than Saturdays, Sundays and public holidays) on which banks are open for business in London
“ <b>Cash Consideration</b> ”	\$7.09 in cash for each Inmarsat Share
“ <b>Cash Memorandum Account</b> ”	has the meaning given in the CREST Manual
“ <b>Cash Value</b> ”	the aggregate value of the Cash Consideration and the Final Dividend, on a per Inmarsat Share basis
“ <b>certificated</b> ” or “ <b>in certificated form</b> ”	a share or other security which is not in uncertificated form (that is, not in CREST)
“ <b>Clean Team and Joint Defence Agreement</b> ”	the clean team and joint defence agreement between the Apax, the Warburg Pincus International LLC, CPPIB, OTPP, Inmarsat and their respective legal advisers dated 21 February 2019
“ <b>Closing Price</b> ”	the middle market price of an Inmarsat Share at the close of business on the day to which such price relates, as derived from the Daily Official List of the London Stock Exchange for that day
“ <b>Companies Act</b> ”	the Companies Act 2006, as amended from time to time
“ <b>Completion</b> ”	the Acquisition becoming Effective
“ <b>Conditions</b> ”	the conditions to the implementation of the Acquisition (including the Scheme) which are set out in Part A of Part 3 ( <i>Conditions to and further Terms of the Acquisition</i> ) of this document
“ <b>Confidentiality Agreement</b> ”	the confidentiality agreement between Apax, Warburg Pincus International LLC and Inmarsat dated 28 January 2019
“ <b>Consortium</b> ”	the Apax Funds, the Warburg Pincus Funds, CPPIB and OTPP
“ <b>Convertible Bond Offer</b> ”	the proposals being made by Bidco to the holders of Inmarsat Convertible Bonds on the terms set out in the Convertible Bond Offer Document
“ <b>Convertible Bond Offer Document</b> ”	the document to be sent to holders of Inmarsat Convertible Bonds containing the terms and conditions of the Convertible Bond Offer
“ <b>Co-operation Agreement</b> ”	the co-operation agreement dated 25 March 2019 between Bidco and Inmarsat and relating, amongst other things, to the implementation of the Acquisition
“ <b>Court</b> ”	the High Court of Justice in England and Wales

“ <b>Court Hearing</b> ”	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act and if such hearing is adjourned reference to commencement of any such hearing shall mean the commencement of the final adjournment thereof
“ <b>Court Meeting</b> ”	the meeting(s) of Inmarsat Shareholders (or any class or classes thereof) convened by order of the Court under section 899 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment) and any adjournment thereof
“ <b>Court Order</b> ”	the order of the Court sanctioning the Scheme under section 899 of the Companies Act
“ <b>Court Sanction Date</b> ”	the date on which the Court Order is made
“ <b>CPP</b> ”	Canada Pension Plan
“ <b>CPPIB</b> ”	Canada Pension Plan Investment Board
“ <b>CPPIB Responsible Persons</b> ”	the persons from CPPIB whose names are listed in paragraph 2(e) of Part 6 ( <i>Additional Information</i> ) of this document
“ <b>Credit Suisse</b> ”	Credit Suisse International
“ <b>CREST</b> ”	the relevant system (as defined in the Regulations) in respect of which Euroclear is the Operator (as defined in such Regulations) and in accordance with which securities may be held and transferred in uncertificated form
“ <b>CREST Manual</b> ”	means the CREST Manual published by Euroclear as amended from time to time
“ <b>Currency Conversion Facility</b> ”	the facility under which a Scheme Shareholder may elect to receive the Cash Consideration in Sterling
“ <b>Currency Election</b> ”	an election under the Currency Conversion Facility to receive the Cash Consideration in Sterling instead of US dollars which is made by Scheme Shareholders in accordance with the instructions set out in Part 7 ( <i>Notes for making Currency Elections</i> ) of this document.
“ <b>Daily Official List</b> ”	the daily official list of the London Stock Exchange
“ <b>Dealing Disclosure</b> ”	an announcement pursuant to Rule 8 of the Takeover Code containing details of dealings in interests in relevant securities of a party to an Acquisition
“ <b>Disclosed</b> ”	the information fairly disclosed: <ul style="list-style-type: none"> <li>(a) by Inmarsat in its published annual report and accounts for the financial year ended 31 December 2018, the interim report for the six months ended 30 June 2018, its third quarter trading update published on 8 November 2018, or its preliminary full year results for the financial year ended 31 December 2018 published on 7 March 2019;</li> <li>(b) in any other public announcement made by Inmarsat in accordance with the Market Abuse Regulation, Listing Rules, Disclosure Guidance and Transparency Rules of the FCA or otherwise after 7 March 2019;</li> </ul>

	(c) in filings made with the Registrar of Companies and appearing on Inmarsat’s file at Companies House within the last two years;
	(d) by or on behalf of Inmarsat to Bidco (or its respective officers, employees, agents or advisers in their capacity as such) (including all matters fairly disclosed in the written replies, correspondence, documentation and information provided in an electronic data room or sent to any member of the Wider Bidco Group or any of their professional advisers during the due diligence process and whether or not in response to any specific request for information by any member of the Wider Bidco Group) prior to the date of this document; or
	(e) in the Press Announcement
“EBITDA”	earnings before interest, tax, depreciation and amortisation
“Effective”	in the context of the Acquisition: <ul style="list-style-type: none"> <li>(a) if the Acquisition is implemented by way of a Scheme, the Scheme having become effective in accordance with to its terms; or</li> <li>(b) if the Acquisition is implemented by way of a Takeover Offer, such offer having become or been declared unconditional in all respects in accordance with its terms</li> </ul>
“Effective Date”	the date on which the Acquisition becomes Effective
“Election Return Date”	the day of the Court Hearing
“Election Return Time”	6.00 p.m. on the day of the Court Hearing (or such other time and/or date as may be announced by the Company (with the consent of Bidco) via a Regulatory Information Service (with such announcement being made available on Inmarsat’s and Bidco’s websites at <a href="https://investors.inmarsat.com/">https://investors.inmarsat.com/</a> and <a href="http://www.inmarsatbidcoinfo.com">www.inmarsatbidcoinfo.com</a> , respectively, and communicated to Scheme Shareholders at around the same date as such announcement))
“Equiniti”	Equiniti Limited, Inmarsat’s registrar
“Equity Commitment Letter”	the equity commitment letter entered into between the members of the Consortium and Bidco and dated 25 March 2019
“Euroclear”	Euroclear UK & Ireland Limited
“Excluded Shares”	any Inmarsat Shares: <ul style="list-style-type: none"> <li>(a) registered in the name of, or beneficially owned by, Bidco or any member of the Bidco Group (if any); or</li> <li>(b) which are Treasury Shares</li> </ul>
“Explanatory Statement”	the explanatory statement (in compliance with section 897 of the Companies Act) relating to the Scheme, as set out in Part 2 ( <i>Explanatory Statement</i> ) of this document
“FCA”	the UK Financial Conduct Authority or its successor from time to time
“Final Dividend”	\$0.12 per Inmarsat Share to be paid on 30 May 2019 to Inmarsat Shareholders on the register as at the close of business on 23 April 2019

“ <b>Finco</b> ”	Connect Finco SARL (formerly known as Triton Finco SARL), a company incorporated in Luxembourg with company number B233109, being a direct subsidiary of Bidco
“ <b>Form of Election</b> ”	the form of election under which a Scheme Shareholder who holds Scheme Shares in certificated form may make a Currency Election, subject to the terms and conditions set out in the Scheme Document
“ <b>Forms of Proxy</b> ”	the forms of proxy for use at the Court Meeting and the Inmarsat General Meeting which shall accompany the Scheme Document
“ <b>FSMA</b> ”	the Financial Services and Markets Act 2000, as it may have been, or may from time to time be, amended, re-enacted or replaced
“ <b>IMSO</b> ”	the International Mobile Satellite Organisation
“ <b>Inmarsat</b> ” or the “ <b>Company</b> ”	Inmarsat plc, incorporated in England with registered number 04886072
“ <b>Inmarsat Articles</b> ”	the memorandum and articles of association of Inmarsat plc as adopted on 6 May 2008 and amended on 4 May 2010 and 7 May 2014
“ <b>Inmarsat Convertible Bonds</b> ”	the 3.875 per cent. convertible bonds due 2023 convertible on a net share settled basis into Inmarsat Shares, issued by Inmarsat and admitted to trading on The International Stock Exchange and the Open Market of the Frankfurt Stock Exchange
“ <b>Inmarsat Directors</b> ” or “ <b>Inmarsat Board</b> ”	the board of directors of Inmarsat and “ <b>Inmarsat Director</b> ” means any of them
“ <b>Inmarsat General Meeting</b> ”	the general meeting of Inmarsat Shareholders to be convened in connection with the Scheme, to consider, and if thought fit, approve various matters in connection with the Acquisition, including any adjournment thereof
“ <b>Inmarsat Group</b> ”	Inmarsat and its direct and indirect subsidiary undertakings
“ <b>Inmarsat Profit Forecast</b> ”	has the meaning given in Part 5 ( <i>Inmarsat Profit Forecast</i> ) of this document
“ <b>Inmarsat Scrip Dividend Scheme</b> ”	the scheme operated by Inmarsat pursuant to which certain Inmarsat Shareholders may elect to receive new Inmarsat Shares rather than cash in respect of dividends announced by Inmarsat
“ <b>Inmarsat Shareholders</b> ”	holders of Inmarsat Shares
“ <b>Inmarsat Shareholder Meetings</b> ”	the Court Meeting and the Inmarsat General Meeting
“ <b>Inmarsat Share Plans</b> ”	the Inmarsat Executive Share Plan, the Inmarsat 2014 Sharesave Plan, the Inmarsat 2014 International Sharesave Plan, the Inmarsat 2014 Share Incentive Plan and the Inmarsat Employee Stock Purchase Plan
“ <b>Inmarsat Shares</b> ”	the ordinary shares of €0.0005 each in the capital of Inmarsat
“ <b>Interim Facilities Agreement</b> ”	an interim facilities agreement originally dated on 24 March 2019 (as amended and restated on 13 April 2019) and entered into between, amongst others, Bidco (as guarantor) and Finco (as borrower), the Arrangers and the Interim Lenders

“ <b>Interim Lenders</b> ”	Bank of America, N.A., Barclays Bank PLC, UBS AG, Stamford Branch, BNP Paribas Fortis S.A./N.V., Banca IMI Spa, London Branch, DNB (UK) Limited, HSBC Bank plc, ING Bank N.V., MUFG Bank, Ltd., Natixis, New York Branch, Natwest Markets plc, Sumitomo Mitsui Banking Corporation and the Bank of Nova Scotia, London Branch
“ <b>J.P. Morgan Cazenove</b> ”	J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove
“ <b>Lansdowne Partners</b> ”	Lansdowne Partners (UK) LLP
“ <b>Latest Practicable Date</b> ”	close of business on 16 April 2019 (being the latest practicable date prior to the publication of this document)
“ <b>Latest Practicable Date Exchange Rate</b> ”	the exchange rate of £:\$ of £1:\$1.3051 as on 16 April 2019 as derived from data provided by Bloomberg
“ <b>Listing Rules</b> ”	the listing rules issued by the FCA pursuant to Part 6 of FSMA
“ <b>London Stock Exchange</b> ”	London Stock Exchange plc
“ <b>Long Stop Date</b> ”	11.59 p.m. on 10 December 2019 unless the Regulatory Conditions have not been satisfied and/or waived, and Completion has not occurred, in each case by 10 December 2019, in which case it shall be 11.59 p.m. on 13 March 2020; or such later date as may be agreed in writing by Bidco and Inmarsat (with the Panel’s consent and as the Court may approve (if such approval(s) are required))
“ <b>Main Market</b> ”	the Main Market of the London Stock Exchange
“ <b>Market Abuse Regulation</b> ”	Regulation (EU) No. 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse
“ <b>Merrill Lynch</b> ”	Merrill Lynch International, a subsidiary of Bank of America Corporation
“ <b>Offer Document</b> ”	should the Acquisition be implemented by means of a Takeover Offer, the document to be sent to Inmarsat Shareholders which will contain, <i>inter alia</i> , the terms and conditions of the Takeover Offer
“ <b>Offer Period</b> ”	the offer period (as defined by the Takeover Code) relating to Inmarsat, which commenced on 19 March 2019
“ <b>Official List</b> ”	the official list maintained by the FCA pursuant to Part 6 of the FSMA
“ <b>Opening Position Disclosure</b> ”	an announcement pursuant to Rule 8 of the Takeover Code containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the Acquisition
“ <b>OTPP</b> ”	Ontario Teachers’ Pension Plan Board
“ <b>OTPP Responsible Persons</b> ”	the persons from OTPP whose names are listed in paragraph 2(f) of Part 6 ( <i>Additional Information</i> ) of this document
“ <b>Overseas Shareholders</b> ”	Inmarsat Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom and United States

“Panel” or “Takeover Panel”	the Panel on Takeovers and Mergers
“Pension Trustee Confidentiality Agreement”	the confidentiality agreement entered into between Bidco and Inmarsat Trustee Company Limited dated 4 April 2019
“PJT Partners”	PJT Partners (UK) Limited
“PRA”	the Prudential Regulation Authority
“Press Announcement”	the announcement of a firm intention to make an offer for the entire issued and to be issued share capital of Inmarsat pursuant to Rule 2.7 of the Takeover Code made by Bidco on 25 March 2019
“Public Services Agreement”	the public services agreement between certain members of the Inmarsat Group and IMSO
“Registrar of Companies”	the Registrar of Companies in England and Wales
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time
“Regulatory Conditions”	the Conditions set out in paragraphs 3(a) to 3(q) (inclusive) of Part A of Part 3 ( <i>Conditions to and Further Terms of the Acquisition</i> ) of this document
“Regulatory Information Service” or “RIS”	a primary information provider which has been approved by the FCA to disseminate regulated information
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to Inmarsat Shareholders in that jurisdiction
“Scheme” or “Scheme of Arrangement”	the proposed scheme of arrangement under Part 26 of the Companies Act between Inmarsat and the Scheme Shareholders to implement the Acquisition
“Scheme Document”	this document
“Scheme Record Time”	6.00 p.m. on the day of the Court Hearing
“Scheme Shareholders”	holders of Scheme Shares and a “Scheme Shareholder” shall mean any one of those Scheme Shareholders
“Scheme Shares”	the Inmarsat Shares: <ul style="list-style-type: none"> <li>(a) in issue at the date of the Scheme Document and which remain in issue at the Scheme Record Time;</li> <li>(b) (if any) issued after the date of the Scheme Document but before the Voting Record Time and which remain in issue at the Scheme Record Time; and</li> <li>(c) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time on terms that the holder thereof shall be bound by the Scheme or in respect of which the original or any subsequent holders thereof are, or have agreed in writing to be, bound by the Scheme and, in each case, which remain in issue at the Scheme Record Time,</li> </ul> <p>excluding, in any case, the Excluded Shares</p>



“SDRT”	UK stamp duty reserve tax
“Shareholder Helpline”	the helpline operated by Equiniti, details of which are set out on page 11 of this document
“Significant Interest”	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of (i) the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking or (ii) the relevant partnership interest
“Special Resolution”	the special resolution to be proposed at the Inmarsat General Meeting in connection with the Acquisition
“subsidiary”, “subsidiary undertaking” and “undertaking”	shall have the meaning given to such terms in the Companies Act
“Takeover Code”	the City Code on Takeovers and Mergers
“Takeover Offer”	should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer made by or on behalf of Bidco to acquire the entire issued and to be issued share capital of Inmarsat and, where the context admits, any subsequent revision, variation, extension or renewal of such offer
“Third Party”	any central bank, government, government department or governmental, quasi-governmental, supra-national, statutory, administrative, environmental, investigative or regulatory body, authority (including any national or supranational antitrust or merger control authority), court, trade agency, association, institution or professional or environmental body in any jurisdiction including, for the avoidance of doubt, the Panel
“Treasury Shares”	Inmarsat Shares held as treasury shares as defined in section 724(5) of the Companies Act
“TTE Instruction”	a transfer to escrow instruction as defined in the CREST Manual
“UBS”	UBS AG London Branch
“uncertificated” or “in uncertificated form”	a share or other security which is recorded on the relevant register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia, and all other areas subject to its jurisdiction
“Voting Record Time”	6.30 p.m. on 8 May 2019 or, if the Court Meeting or the Inmarsat General Meeting is adjourned, 6.30 p.m. on the day which is two Business Days before such adjourned meeting
“Warburg Pincus”	Warburg Pincus LLC
“Warburg Pincus Funds”	Funds advised by Warburg Pincus or its affiliates

**“Warburg Pincus Responsible**

- Persons** ..... the persons from Warburg Pincus whose names are listed in paragraph 2(f) of Part 6 (*Additional Information*) of this document
- “Wider Bidco Group”** ..... Bidco, the members of the Consortium and such Consortium members’ subsidiaries, subsidiary undertakings, associated undertakings and any other body corporate, partnership, joint venture or person in which Bidco and/or all such undertakings (aggregating their interests) have a Significant Interest
- “Wider Inmarsat Group”** ..... Inmarsat and its subsidiaries, subsidiary undertakings, associated undertakings and any other body corporate, partnership, joint venture or person in which Inmarsat and all such undertakings (aggregating their interest) have a Significant Interest
- “£” or “Sterling”** ..... pounds sterling, the lawful currency for the time being of the UK and references to “pence” and “p” shall be construed accordingly
- “\$” or “US dollars”** ..... US dollars, the lawful currency of the United States and references to “cents” and “c” shall be construed accordingly
- “C\$” or “Canadian dollars”** ..... Canadian Dollars, the lawful currency of Canada
- “€” or “EUR” or “Euro”** ..... Euro, the lawful currency of the European Union and reference to “cents” and “c” shall be construed accordingly

All times referred to are London time unless otherwise stated. References to the singular include the plural and vice versa. References to gender shall include all genders.

All references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

**PART 10**  
**THE SCHEME OF ARRANGEMENT**

**IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS  
OF ENGLAND AND WALES  
COMPANIES COURT (ChD)**

**No. CR–2019–002174**

**IN THE MATTER OF INMARSAT PLC  
and  
IN THE MATTER OF THE COMPANIES ACT 2006**

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**SCHEME OF ARRANGEMENT**

(under Part 26 of the Companies Act 2006)

between  
**Inmarsat plc**  
and  
**the Scheme Shareholders**  
(as defined below)

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**PRELIMINARY**

In this Scheme, unless inconsistent with the subject or context, the following expressions shall bear the following meanings:

- “**Acquisition**” ..... the proposed acquisition by Bidco of the entire issued and to be issued share capital of Inmarsat to be implemented by the Scheme;
- “**Apax**” ..... Apax Partners LLP;
- “**Apax Funds**” ..... funds advised by Apax;
- “**Average Market Exchange Rate**” .... the average \$:£ exchange rate calculated by dividing the total amount of US dollars converted by Bidco pursuant to the Currency Conversion Facility by (the total amount of Sterling received by Bidco *less* any applicable and properly incurred transaction and dealing costs associated with such conversion pursuant to such currency conversion trades);
- “**Bidco**” ..... Connect Bidco Limited (formerly known as Triton Bidco (Guernsey) Limited), a company incorporated in Guernsey with company number 66187;
- “**Bidco Group**” ..... Bidco, and any undertaking which is a subsidiary undertaking of Bidco;
- “**Business Day**” ..... a day (other than a Saturday or Sunday) on which banks are open for general business in London;
- “**Cash Consideration**” ..... \$7.09 in cash for each Inmarsat Share;
- “**Companies Act**” ..... the Companies Act 2006, as amended from time to time;
- “**Companies Law**” ..... the Companies (Guernsey) Law, 2008;

“ <b>Completion</b> ”	the Scheme becoming Effective;
“ <b>Consortium</b> ”	the Apax Funds, the Warburg Pincus Funds, CPPIB and OTTP;
“ <b>Court</b> ”	the High Court of Justice in England and Wales;
“ <b>Court Hearing</b> ”	the hearing by the Court to sanction the Scheme;
“ <b>Court Meeting</b> ”	the meeting(s) of Inmarsat Shareholders (or any class or classes thereof) to be convened with the permission of the Court under the Companies Act to consider, and if thought fit, approve the Scheme (with or without amendment) including any adjournment thereof;
“ <b>Court Order</b> ”	the order of the Court sanctioning the Scheme under section 899 of the Companies Act;
“ <b>CPPIB</b> ”	Canada Pension Plan Investment Board;
“ <b>CREST</b> ”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear is the Operator (as defined in such regulations) in accordance with which securities may be held and transferred in uncertificated form;
“ <b>Currency Conversion Facility</b> ”	the facility under which a Scheme Shareholder may elect to receive the Cash Consideration in sterling;
“ <b>Currency Election</b> ”	an election under the Currency Conversion Facility to receive the Cash Consideration in sterling instead of US dollars which is made by Scheme Shareholders in accordance with the instructions set out in Part 7 ( <i>Notes for making Currency Elections</i> ) of the Scheme Document;
“ <b>Effective</b> ”	the Scheme having become effective in accordance with its terms;
“ <b>Effective Date</b> ”	the date on which the Scheme becomes Effective;
“ <b>Encumbrances</b> ”	liens, equitable interests, charges, encumbrances, options, rights of pre-emption and any other third-party rights or interests of any nature whatsoever;
“ <b>Euroclear</b> ”	Euroclear UK & Ireland Limited;
“ <b>Excluded Shares</b> ”	any Inmarsat Shares: <ul style="list-style-type: none"> <li>(a) registered in the name of, or beneficially owned by, Bidco or any member of the Wider Bidco Group (if any); or</li> <li>(b) which are Treasury Shares;</li> </ul>
“ <b>Final Dividend</b> ”	the previously announced final dividend of \$0.12 per Inmarsat Share to be paid on 30 May 2019 to Inmarsat Shareholders on the register as at the close of business on 23 April 2019;
“ <b>holder</b> ”	a registered holder and includes a person entitled by transmission;
“ <b>Inmarsat</b> ” or the “ <b>Company</b> ”	Inmarsat plc, incorporated in England and Wales with registered number 04886072;
“ <b>Inmarsat’s Registrar</b> ”	Equiniti Limited;
“ <b>Inmarsat Shareholders</b> ”	holders of Inmarsat Shares;

<b>“Inmarsat Share Plans”</b> .....	the Inmarsat Executive Share Plan, the Inmarsat 2014 Sharesave Plan, the Inmarsat 2014 International Sharesave Plan, the Inmarsat 2014 Share Incentive Plan and the Inmarsat Employee Stock Purchase Plan;
<b>“Inmarsat Shares”</b> .....	the ordinary shares of €0.0005 each in the capital of Inmarsat;
<b>“Latest Practicable Date”</b> .....	close of business on 16 April 2019 (being the latest practicable date prior to the publication of the Scheme Document);
<b>“Long-Stop Date”</b> .....	11.59 p.m. on 10 December 2019 unless the Conditions set out in paragraphs 3(a) to 3(q) (inclusive) of Part A of Part 3 ( <i>Conditions to and Further Terms of the Acquisition</i> ) of the Scheme Document have not been satisfied and/or waived, and Completion has not occurred, in each case by 10 December 2019, in which case it shall be 11.59 p.m. on 13 March 2020; or such later date as may be agreed in writing by Bidco and Inmarsat (with the Panel’s consent and as the Court may approve (if such approval(s) are required));
<b>“OTPP”</b> .....	Ontario Teachers’ Pension Plan Board;
<b>“Panel”</b> or <b>“Takeover Panel”</b> .....	the Panel on Takeovers and Mergers;
<b>“Registrar of Companies”</b> .....	the Registrar of Companies in England and Wales;
<b>“Scheme”</b> or <b>“Scheme of Arrangement”</b> .....	this scheme of arrangement in its present form or with or subject to any modification, addition or condition which Inmarsat and Bidco may agree to and which the Court may approve or impose;
<b>“Scheme Document”</b> .....	the circular dated 18 April 2019 sent by Inmarsat to Inmarsat Shareholders and persons with information rights of which this Scheme forms a part;
<b>“Scheme Record Time”</b> .....	6.00 p.m. on the day of the Court Hearing;
<b>“Scheme Shareholders”</b> .....	holders of Scheme Shares and a <b>“Scheme Shareholder”</b> shall mean any one of those Scheme Shareholders;
<b>“Scheme Shares”</b> .....	the Inmarsat Shares: <ul style="list-style-type: none"> <li>(a) in issue at the date of the Scheme Document and which remain in issue at the Scheme Record Time;</li> <li>(b) (if any) issued after the date of the Scheme Document but before the Voting Record Time and which remain in issue at the Scheme Record Time; and</li> <li>(c) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time on terms that the holder thereof shall be bound by the Scheme or in respect of which the original or any subsequent holders thereof are, or have agreed in writing to be, bound by the Scheme and, in each case, which remain in issue at the Scheme Record Time,</li> </ul> <p style="margin-left: 40px;">excluding, in any case, the Excluded Shares;</p>
<b>“Significant Interest”</b> .....	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of (i) the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking or (ii) the relevant partnership interest;
<b>“subsidiary”</b> and <b>“subsidiary undertaking”</b> .....	shall have the meanings given to them in the Companies Act;

“ <b>Treasury Shares</b> ”	Inmarsat Shares held as treasury shares as defined in section 724(5) of the Companies Act;
“ <b>uncertificated</b> ” or “ <b>in uncertificated form</b> ”	a share or other security which is recorded on the relevant register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST;
“ <b>UK</b> ” or “ <b>United Kingdom</b> ”	the United Kingdom of Great Britain and Northern Ireland;
“ <b>United States</b> ” or “ <b>US</b> ”	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia, and all other areas subject to its jurisdiction;
“ <b>Voting Record Time</b> ”	the time and date by reference to which the entitlement to vote at the Court Meeting and the Inmarsat General Meeting will be determined which is 6.30 p.m. on 8 May 2019 or if the Court Meeting or the Inmarsat General Meeting is adjourned, 6.30 p.m. on the day which is two Business Days before such adjourned meeting;
“ <b>Warburg Pincus</b> ”	Warburg Pincus LLC;
“ <b>Warburg Pincus Funds</b> ”	funds advised by Warburg Pincus or its affiliates;
“ <b>Wider Bidco Group</b> ”	Bidco, the members of the Consortium and such Consortium members’ subsidiaries, subsidiary undertakings, associated undertakings and any other body corporate, partnership, joint venture or person in which Bidco and/or all such undertakings (aggregating their interests) have a Significant Interest;
“ <b>£</b> ” or “ <b>sterling</b> ”	pounds sterling, the lawful currency for the time being of the UK and references to “pence” and “p” shall be construed accordingly; and
“ <b>\$</b> ” or “ <b>dollars</b> ”	US dollars, the lawful currency of the United States and references to “cents” and “c” shall be construed accordingly,

and where the context so admits or requires, the plural includes the singular and vice versa.

- (1) All times referred to are London time unless otherwise stated.
- (2) All references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.
- (3) References to clauses are to clauses of the Scheme.
- (4) As at the Latest Practicable Date, the issued share capital of Inmarsat was EUR 231,740.45 divided into fully paid ordinary shares of EUR 0.0005 each and Inmarsat did not hold any Inmarsat Shares in treasury.
- (5) As at the Latest Practicable Date, options and awards to acquire up to 10,546,420 Inmarsat Shares have been awarded or committed and remain outstanding pursuant to the Inmarsat Share Plans.
- (6) Bidco was incorporated on 15 March 2019 under the Companies Law as a private company limited by shares.
- (7) As at the Latest Practicable Date, no member of the Bidco Group nor the Consortium is the registered holder of, or beneficially owns, any Inmarsat Shares.
- (8) Bidco has agreed to instruct counsel to appear on its behalf at the Court Hearing and to undertake to the Court to be bound by the terms of the Scheme and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to the Scheme.

## THE SCHEME

### 1. Transfer of the Scheme Shares

- 1.1 On the Effective Date, Bidco and/or its nominee(s) shall acquire the Scheme Shares fully paid up, with full title guarantee, free from all Encumbrances and together with all rights attaching thereto, including voting rights and the entitlement to receive and retain all dividends and/or other distributions and/or returns of capital declared, paid or made by Inmarsat with a record date on or after the Scheme Record Time.
- 1.2 For the purposes of such acquisition, the Scheme Shares shall be transferred to Bidco and/or its nominee(s) and to give effect to such transfers any person may be appointed by Bidco as attorney and/or agent and/or otherwise and shall be authorised as such attorney and/or agent and/or otherwise on behalf of the relevant holder of Scheme Shares to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer (whether as a deed or otherwise) of such Scheme Shares, and every form, instrument or instruction of transfer so executed shall be as effective as if it had been executed by the holder or holders of the Scheme Shares thereby transferred. Such form, instrument or instruction of transfer shall be deemed to be the principal instrument of transfer and the equitable or beneficial interest in the Scheme Shares shall only be transferred to Bidco and/or its nominee(s) together with the legal interest in such Scheme Shares, pursuant to such form, instrument or instruction of transfer.
- 1.3 Pending the transfer of the Scheme Shares pursuant to clauses 1.1 and 1.2 of the Scheme, each Scheme Shareholder irrevocably appoints Bidco (and/or its nominee(s)) as its attorney and/or agent and/or otherwise to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to the Scheme Shares and any or all rights and privileges attaching to the Scheme Shares, to sign any consent to short notice of any general or separate class meetings, to execute a form of proxy in respect of its Scheme Shares appointing any person nominated by Bidco to attend any general and separate class meetings of Inmarsat and authorises Inmarsat to send to Bidco and/or its nominee(s) any notice, circular, warrant or other document or communication which may be sent to it as a member of Inmarsat such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares.

### 2. Consideration for transfer of the Scheme Shares

- 2.1 In consideration for the transfer of the Scheme Shares to Bidco as provided in clause 1, Bidco shall (subject to, and in accordance with, the remaining provisions of the Scheme) pay or procure that there shall be paid to or for the account or benefit of each Scheme Shareholder (as appearing in the register of members of the Company at the Scheme Record Time):

**for each Scheme Share ..... \$7.09 in cash**

- 2.2 Inmarsat Shareholders who are on the register of members of Inmarsat as at the close of business on 23 April 2019 shall have the right to receive and retain the Final Dividend.
- 2.3 Bidco has the right to reduce the Cash Consideration which is paid or becomes payable by Bidco to Inmarsat Shareholders by the amount of any dividend and/or other distribution and/or other return of capital proposed, announced, authorised, declared, made, paid or becoming payable by Inmarsat in respect of the Inmarsat Shares with a record date falling before the Scheme Record Time (other than the Final Dividend).
- 2.4 If any dividend and/or other distribution and/or other return of capital referred to in clause 2.3 is denominated in any currency other than US dollars, it shall for the purposes of determining the relevant reduction in Cash Consideration be converted to US dollars as Bidco shall determine, acting reasonably.
- 2.5 If Bidco exercises the right to reduce the Cash Consideration by all or part of the amount of any dividend and/or other distribution and/or other return of capital described in clause 2.3 that has not been paid:
  - (a) Scheme Shareholders will be entitled to receive and retain that dividend and/or other distribution and/or other return of capital in respect of the Scheme Shares they hold;
  - (b) any reference in the Scheme to the consideration payable under the Scheme shall be deemed a reference to the consideration as so reduced; and
  - (c) the exercise of such rights shall not be regarded as constituting any revision or variation of the terms of the Scheme.
- 2.6 To the extent that any dividend and/or other distribution and/or other return of capital described in clause 2.3 is: (i) transferred pursuant to the Scheme on a basis which entitles Bidco to receive such dividend and/or

other distribution and/or other return of capital and retain it; or (ii) cancelled, the consideration payable under the Scheme will not be subject to change in accordance with clause 2.3.

### **3. Currency Conversion Facility**

Subject to the terms and conditions set out in this Scheme, each Scheme Shareholder may elect under the Currency Conversion Facility to receive the Cash Consideration which is payable to them in accordance with clause 2, in sterling at the Average Market Exchange Rate obtained by Bidco through one or more market transactions over one or more Business Days following the Scheme Record Time (but before the relevant payment date specified pursuant to the terms of this Scheme), by making a valid Currency Election.

### **4. Settlement of consideration**

4.1 Not more than 14 calendar days after the Effective Date (or such other period as may be approved by the Panel), Bidco shall:

- (a) in the case of Scheme Shares which at the Scheme Record Time are held in certificated form, despatch or procure the despatch to the persons entitled thereto or as they may direct, in accordance with the provisions of clause 4.3, cheques for the Cash Consideration payable to them respectively in accordance with clause 2 and any Currency Election made by the applicable Scheme Shareholder or if the amount payable to any such Scheme Shareholder exceeds \$1 million (or the equivalent amount in sterling), Bidco reserves the right to make arrangements with such Scheme Shareholder to facilitate electronic payment of such amount in lieu of a cheque; and
- (b) in the case of Scheme Shares which at the Scheme Record Time are held in uncertificated form, procure the making of a CREST assured payment obligation in favour of the persons entitled thereto in accordance with clause 2 in accordance with the CREST payment arrangements in respect of the Cash Consideration due to the relevant holder in accordance with clause 2 and any Currency Election made by the applicable Scheme Shareholder, provided that Bidco may (if, for any reason outside Bidco's control, it is not able to effect payment in accordance with this sub-clause or if it otherwise wishes to do so) make payment of the said sums by cheque in the manner set out in clause 4.1(a).

4.2 As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares will be removed from CREST in due course.

4.3 All deliveries of notices, cheques and certificates required to be made pursuant to this Scheme shall be effected by posting the same by first-class post in prepaid envelopes (or by such other method as may be approved by the Panel) addressed to the Scheme Shareholder concerned at their respective address as appearing in the register of members of Inmarsat as at the Scheme Record Time or, in the case of joint holders, at the address of the holder whose name stands first in the said register in respect of such joint holding as at the Scheme Record Time, and none of Inmarsat, Bidco or their respective agents or Inmarsat's Registrar shall be responsible for any loss or delay in the transmission of any notice, certificate, cheque or payment sent in accordance with this clause 4.3 which shall be sent at the risk of the person(s) entitled thereto.

4.4 All cheques shall be in either US dollars or sterling in accordance with the Currency Elections made by the applicable Scheme Shareholders and shall be drawn on a UK clearing bank and shall be made payable to the persons respectively entitled to the monies represented thereby (except that, in the case of joint holders, Bidco reserves the right to make such cheques payable to that one of the joint holders whose name stands first in the register of members of Inmarsat in respect of such joint holding as at the Scheme Record Time) or to such other persons (if any) as such persons may direct in writing and the encashment of any such cheque or the making of any such assured CREST payment obligation as is referred to in clauses 4.1(a) and 4.1(b) shall be a complete discharge of Inmarsat's obligation to pay the monies represented thereby.

### **5. Certificates and cancellations**

With effect from and including the Effective Date:

5.1 all certificates representing Scheme Shares shall cease to be valid as documents of title to the shares represented thereby and every holder thereof shall be bound at the request of the Company to deliver up the same to the Company or as it may direct to destroy the same;

5.2 Euroclear shall be instructed to cancel the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form;



- 5.3 following the cancellation of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, Inmarsat's Registrar shall be authorised to rematerialise entitlements to such Scheme Shares; and
- 5.4 subject to the completion of such transfers, forms, instruments or instructions as may be required and the payment of any UK stamp duty thereon, appropriate entries will be made in the Company's register of members to reflect their transfer.

**6. Mandates**

All mandates relating to the payment of dividends on any Scheme Shares and other instructions (including communications preferences) given to Inmarsat by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

**7. The Effective Date**

- 7.1 This Scheme shall become Effective as soon as a copy of the Court Order shall have been delivered to the Registrar of Companies.
- 7.2 Unless this Scheme shall become Effective on or before the Long-Stop Date, this Scheme shall never become Effective.

**8. Modification**

Bidco and the Company may jointly consent on behalf of all concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose.

**9. Governing law**

This Scheme is governed by the laws of England and Wales and is subject to the exclusive jurisdiction of the English Courts.

Dated 18 April 2019

Clifford Chance LLP  
10 Upper Bank Street  
London E14 5JJ

Solicitors for Inmarsat

**PART 11**  
**NOTICE OF COURT MEETING**

**INMARSAT PLC**

**IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS  
OF ENGLAND AND WALES  
COMPANIES COURT (ChD)  
ICC JUDGE BURTON**

**No. CR–2019–002174**

IN THE MATTER OF INMARSAT PLC

AND

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that, by an order dated 17 April 2019 made in the above matters, the Court has given permission for a meeting (the “**Court Meeting**”) to be convened of the holders of Scheme Shares (as defined in the Scheme of Arrangement referred to below) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement proposed to be made pursuant to Part 26 of the Companies Act 2006 between (i) Inmarsat plc (the “**Company**”) and (ii) the holders of Scheme Shares and that the Court Meeting will be held at the offices of the Company at 99 City Road, London EC1Y 1AX on 10 May 2019 at 2.00 p.m. at which place and time all Scheme Shareholders are requested to attend.

A copy of the said Scheme of Arrangement and a copy of the explanatory statement required to be furnished pursuant to Part 26 of the Companies Act 2006 are incorporated in the document of which this notice forms part.

Voting on the resolution to approve the Scheme will be by way of poll, which shall be conducted as the Chairman of the Court Meeting may determine.

**The said Scheme Shareholders may attend, speak and vote in person at the Court Meeting or they may appoint another person or persons, whether or not a member of the Company, as their proxy or proxies to exercise all or any of their rights to attend, speak and vote in their stead.**

**A blue Form of Proxy for use at the Court Meeting is enclosed with this notice. It is requested that the blue Form of Proxy (together with any power of attorney or other authority, if any, under which it is signed, or a duly certified copy thereof) be returned by post or (during normal business hours only) by hand to the Company’s registrar Equiniti Limited, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom to be received not later than 2.00 p.m. on 8 May 2019, or in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the adjourned Court Meeting. However, if forms are not so returned they may be handed to the Chairman of the Court Meeting or a representative of Equiniti on behalf of the Chairman of the Court Meeting, before the start of the Court Meeting.**

As a member of the Company, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote on your behalf at the Court Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares. A space has been included in the blue Form of Proxy to allow holders of Scheme Shares to specify the number of shares in respect of which that proxy is to be appointed. A proxy need not be a member of the Company but they must attend the Court Meeting to represent you. If you require additional proxy forms, please contact the Company’s registrar, Equiniti Limited, on 0371 384 2849 from within the UK (or on +44 121 415 0264 if calling from outside the UK) or photocopy the blue Form of Proxy as required.

Members who hold their shares in uncertificated form through CREST who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Court Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual (which can be viewed at [www.euroclear.com](http://www.euroclear.com)).

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with the

specifications of Euroclear UK & Ireland Limited (“**Euroclear**”) and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Equiniti Limited (CREST participant ID RA19) by 2.00 p.m. on 8 May 2019 or in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the adjourned Court Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST application host) from which Equiniti Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Forms of Proxy may alternatively be submitted electronically by logging on to the following website [www.sharevote.co.uk](http://www.sharevote.co.uk) and following the instructions there. For an electronic proxy appointment to be valid, the appointment must be received by Equiniti Limited no later than 2.00 p.m. on 8 May 2019.

**Completion and return of a Form of Proxy, or the appointment of a proxy electronically using CREST (or any other procedure described in the document of which this notice forms part), will not preclude a holder of Scheme Shares from attending, speaking and voting in person at the Court Meeting, or any adjournment thereof, if such holder of Scheme Shares wishes and is entitled to do so.**

### **Voting Record Time**

Only those shareholders registered in the register of members of the Company as at 6.30 p.m. on 8 May 2019 or, in the event that the Court Meeting is adjourned, in the register of members at 6.30 p.m. on the second Business Day before the day of any adjourned meeting shall be entitled to attend or vote in respect of the number of shares registered in their name at the relevant time. Changes to entries in the relevant register of members after 6.30 p.m. on 8 May 2019 or, in the event that the Court Meeting is adjourned, after 6.30 p.m. on the second Business Day before the day of any adjourned meeting shall be disregarded in determining the rights of any person to attend or vote at the Court Meeting.

### **Joint holders**

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

### **Corporate representatives**

As an alternative to appointing a proxy, any holder of Scheme Shares which is a corporation may appoint one or more corporate representatives who may exercise on its behalf all its powers as a member, provided that if two or more corporate representatives purport to vote in respect of the same shares, if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way, and in other cases the power is treated as not exercised.

By the said order, the Court has appointed Andrew Sukawaty or, failing him, Rupert Pearce or, failing him, Tony Bates, or, failing him, any other director of the Company to act as Chairman of the Court Meeting and has directed the Chairman to report the result of the Court Meeting to the Court.

The said Scheme of Arrangement will be subject to the subsequent sanction of the Court.

DATED: 18 April 2019

Clifford Chance LLP  
10 Upper Bank Street  
London E14 5JJ

Solicitors for the Company

**PART 12**  
**NOTICE OF GENERAL MEETING**

NOTICE IS HEREBY GIVEN that a general meeting of Inmarsat plc (the “**Company**”) will be held at the offices of the Company at 99 City Road, London EC1Y 1AX on 10 May 2019 at 2.15 p.m. (or as soon thereafter as the meeting of Scheme Shareholders (as defined in the Scheme as referred to in the resolution below) convened by direction of the High Court of Justice (the “**Court**”) for 2.00 p.m. on the same day and at the same place shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution.

**SPECIAL RESOLUTION**

THAT:

for the purpose of giving effect to the scheme of arrangement dated 18 April 2019 between the Company and the Scheme Shareholders (as defined in the said scheme of arrangement), a print of which has been produced to this meeting and for the purposes of identification initialled by the chairman of this meeting, in its original form or with or subject to any modification, addition or condition agreed between the Company and Connect Bidco Limited (“**Bidco**”) and approved or imposed by the Court (the “**Scheme**”):

- (a) the directors of the Company (or a duly authorised committee thereof) be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (b) with effect from the passing of this resolution, the articles of association of the Company be and are amended by the adoption and inclusion of the following new article 137 after the existing article 136:

**“137 Scheme of Arrangement**

- (A) In this article, references to the “**Scheme**” are to the scheme of arrangement dated 18 April 2019 between the Company and the holders of Scheme Shares (as defined in the Scheme) under Part 26 of the Companies Act 2006 in its original form or with or subject to any modification, addition or condition agreed between the Company and Connect Bidco Limited (“**Bidco**”) and approved or imposed by the High Court of Justice, and (save as defined in this article) terms defined in the Scheme shall have the same meanings in this article.
- (B) Notwithstanding any other provision of these articles or the terms of any resolution whether ordinary or special passed by the Company in general meeting, if the Company issues any ordinary shares (other than to Bidco, any subsidiary of Bidco or its nominee(s) (each a “**Bidco Company**”)) on or after the adoption of this article and on or prior to the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such ordinary shares shall be bound by the Scheme accordingly.
- (C) Notwithstanding any other provision of these articles, if any Company shares are issued to any person (a “**New Member**”) at or after the Scheme Record Time (each a “**Post-Scheme Share**”) they will, provided that the Scheme has become effective and that Bidco is a member of the Company, be immediately transferred to Bidco (or such persons as Bidco may direct) (the “**Purchaser**”), who shall be obliged to acquire such Post-Scheme Shares (unless such shares are issued to a Bidco Company) in consideration of and conditional upon payment to the New Member of the same consideration per Post-Scheme Share as would have been payable to a holder of the Scheme Shares under the Scheme.
- (D) Any New Member may, prior to the issue or transfer of any Post-Scheme Shares to him or her under one of the Company’s employee share plans, give not less than two Business Days’ written notice to the Company in such manner as the board shall prescribe of his or her intention to transfer some or all of such Post-Scheme Shares to his or her spouse or civil partner and may, if such notice has been validly given, on such Post-Scheme Shares being issued to him or her immediately transfer to his or her spouse or civil partner any such Post-Scheme Shares, provided that such Post-Scheme Shares will then be immediately transferred from that spouse or civil partner to the Purchaser pursuant to article 137(C) above as if the spouse or civil partner were the relevant New Member.
- (E) On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) carried out after the Effective Date, the value of the consideration per Post-Scheme Share to be paid under article 137(B) or 137(C) shall be adjusted by the Company in such manner as the auditors of the Company may determine to be appropriate to reflect

such reorganisation or alteration. References in this article to such shares shall, following such adjustment, be construed accordingly.

- (F) To give effect to any transfer required by this article, the Company may appoint any person as agent for the New Member to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of the Purchaser and do all such other things and execute and deliver all such documents as may in the opinion of the agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser and pending such vesting to exercise all such rights to the Post-Scheme Shares as the Purchaser may direct. If an agent is so appointed, the New Member shall not thereafter (except to the extent that the agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed by the Purchaser. The Company may give good receipt for the purchase price of the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member for any Post-Scheme Shares.
- (G) Notwithstanding any other provision of these articles, both the Company and the directors may refuse to register the transfer of any ordinary shares between the Scheme Record Time and the Effective Date.
- (H) If the Scheme shall not have become effective by the date referred to in clause 7 of the Scheme, this article 137 shall be of no effect.”

Registered Office:

99 City Road,  
London,  
EC1Y 1AX

By order of the Board

Alison Horrocks  
Secretary

Dated 18 April 2019

#### Notes

1. To be entitled to attend and vote at the meeting, shareholders must be registered in the register of shareholders of the Company by 6.30 p.m. on 8 May 2019 (or, if the meeting is adjourned, at 6.30 p.m. on the date that is two days prior to the adjourned meeting, excluding any day which is not a working day). Changes to entries on the register of shareholders after the relevant deadline shall be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the meeting or adjourned meeting.
2. A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to exercise all or any of his or her rights to attend, speak and vote on his or her behalf. A proxy need not be a shareholder of the Company but must attend the meeting in person to represent the shareholder. A white Form of Proxy which may be used to make such appointment and give proxy instructions is enclosed with this notice. If you think you may not be able to attend the meeting, please complete and return the white Form of Proxy. Please indicate how you wish your vote to be cast by inserting an "X" in the appropriate box. In the event that you wish to appoint a person other than the Chairman as your proxy, delete the reference to the Chairman and insert the name and address of the person you wish to appoint in the space provided. Instructions for use are shown on the white Form of Proxy. The completion of a white Form of Proxy, an electronic proxy (as described in note 3 below), or any CREST Proxy Instruction (as described in note 8 below) will not preclude a holder of ordinary shares in the Company from attending and voting in person at the meeting.
3. To be effective, the white Form of Proxy (together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority) must be returned either (i) by post, or (ii) during normal business hours only, by hand, to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA as soon as possible, and in any event so as to be received by not later than 2.15 p.m. on 8 May 2019 or, if the meeting is adjourned, by not later than 48 hours (excluding any day which is not a working day) before the time of the adjourned meeting. Forms of Proxy returned by fax will not be accepted. For your convenience, a prepaid envelope has been included (for use in the United Kingdom). If you reside outside the United Kingdom please apply the relevant postage or alternatively if using your own envelope please address it to Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA. Alternatively, you may appoint a proxy or proxies electronically through [www.sharevote.co.uk](http://www.sharevote.co.uk). Shareholders will need their Voting ID, Task ID and Shareholder Reference Number (this is the series of numbers printed under their name on the white Form of Proxy). Full details of the procedure to be followed to appoint a proxy electronically are given on the website.
4. A shareholder entitled to attend and vote at the meeting may appoint more than one proxy, provided that each proxy is appointed to exercise the rights to different shares. To appoint more than one proxy, you should photocopy the white Form of Proxy. Please indicate the number of shares in relation to which you authorise each proxy to act. Please also indicate by marking the box on the white Form of Proxy if the proxy instruction is one of multiple instructions being given for the meeting. Where a white Form of Proxy does not state the number of shares to which it applies, the proxy is deemed to have been appointed in relation to the total number of shares registered in the name of the appointing shareholder. Where a white Form of Proxy does not state the number of shares to which it applies but is one of multiple instructions or where the aggregate number of shares exceeds a shareholder's entire holding, then the total number of shares registered in the name of the appointing shareholder will be apportioned pro rata.
5. Any person who is not a member of the Company, but has been nominated under section 146 of the Companies Act 2006 by a member of the Company (the "**relevant member**") to enjoy information rights, (the "**nominated person**") does not have the right to appoint any proxies described under note 2 above. A nominated person may have a right under an agreement with the relevant member to be appointed or to have somebody else appointed as a proxy for the meeting. If a nominated person does not have such a right, or has such a right and does not wish to exercise it, he or she may have a right under an agreement with the relevant member to give instructions as to the exercise of voting rights.
6. The "Vote Withheld" option is provided to enable you to abstain on the specified resolution. However, it should be noted that a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of votes "For" and "Against" the specified resolution.
7. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the relevant register of members of the Company at 6.30 p.m. on 8 May 2019 (or, if the meeting is adjourned, at 6.30 p.m. on the date that is two days prior to the adjourned meeting, excluding any day which is not a working day) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of members after the relevant time shall be disregarded in determining the rights of any person to attend and vote at the meeting or any adjourned meeting. CREST shareholders who hold their shares in the Company through CREST ("**CREST members**") and who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the purpose of this meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal shareholders or other CREST sponsored shareholders, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's Registrar, Equiniti Limited (Participant ID RA19), not later than 48 hours before the time appointed for the meeting or any adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
9. CREST shareholders and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will,

therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST shareholder concerned to take (or, if the CREST shareholder is a CREST personal shareholder, or sponsored shareholder, or has appointed a voting service provider, to procure that his or her CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. In the case of joint holders of a share the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of shareholders of the Company.
12. As at 16 April 2019 (being the latest practicable date prior to the publication of this notice), the issued share capital of the Company consisted of 463,480,897 ordinary shares of EUR 0.0005 each, carrying one vote each. Therefore, the total voting rights in the Company as at 16 April 2019 were 463,480,897.
13. Any shareholder attending the meeting has a right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
14. In the case of a corporation or government body, the proxy form must be signed by a person who is authorised following a resolution of the board or other governing body, or by authority which is given under seal or signed by an officer duly authorised by the corporation or government body.
15. A copy of this notice, and other information required by s.311A of the Companies Act 2006, can be found at [www.inmarsat.com](http://www.inmarsat.com).
16. Copies of the Company's existing articles of association as proposed to be amended by the special resolution set out in this notice are available for inspection at the Company's registered office during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays), until the opening of business on the day on which the meeting is held, and will also be available for inspection at the place of the meeting for at least 15 minutes prior to and during the meeting.
17. You may not use any electronic address provided either in this notice or any related documents (including the enclosed white Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
18. Voting on the resolution at this meeting will be conducted on a poll rather than a show of hands.

## PART 13

### INMARSAT UK STAFF REPRESENTATIVES' OPINION

#### *Rule 25.9 of the U.K. Takeover Code*

The following has been provided pursuant to Rule 25.9 of the City Code on Takeovers and Mergers (“**Code**”).

This document represents the opinion of the UK Staff Representative body (“**Staff Reps**”) of Inmarsat plc (“**Inmarsat**”) on the announcement of 25 March 2019 (“**Announcement**”) of the recommended cash acquisition by Bidco of the entire issued and to be issued share capital of Inmarsat (“**Acquisition**”), to be effected by means of a Scheme of Arrangement under Part 26 of the Companies Act 2006 (“**Scheme**”).

#### *Introduction*

The Inmarsat Staff Forum is set up in accordance with the Information and Consultation of Employees Regulations 2004 and the Staff Reps are an appropriate representative body in accordance with Rule 25.9 of the Code.

The purpose of this document is for the Staff Reps to provide an opinion to Inmarsat shareholders, appended to the Inmarsat circular to shareholders in connection with the Acquisition (the “**Scheme Document**”), on the potential effect of the Acquisition on the employment of UK staff.

The Staff Reps’ opinion is based solely on information provided in the Announcement and internal discussions with the Inmarsat Executive Team. There has not yet been any contact with representatives from Bidco. A draft of the Scheme Document was received on 7th April 2019, shortly before submission of this opinion.

#### *Summary*

The Staff Reps are not opposed to the Acquisition in principle and advise positively on the Announcement in that:

- It is stated that “the Consortium values and admires Inmarsat for its proven expertise in maritime, aviation, defence and broadband satellite communications, alongside its strong market positions and potential for growth”; and
- Bidco intends to enable Inmarsat “to fulfil its ambitions to become a global leader in next-generation satellite communications, including the fast growing market for commercial aviation in-flight connectivity”.

and on the basis of Bidco’s:

- Stated intention to “maintain Inmarsat’s headquarters in the UK”;
- Recognition of “the importance and value of the skills and experience of the existing management and employees of Inmarsat [and belief that] they will be a key factor in maximising the success of Inmarsat following the Scheme becoming Effective”;
- Expectation that there will not be “any material change in the balance of skills and functions of employees and management of Inmarsat” (subject to a limited number of PLC-related functions).

#### *Opinion*

##### *Employee Representative Bodies*

The Staff Reps would like to emphasise the constructive and productive relationship that employee representative bodies across Inmarsat (including the Staff Reps) have with the Inmarsat ELT and Board of Directors. The Staff Reps welcome that Bidco understands the very positive nature of this relationship and that it hopes this positive relationship will be maintained.

##### *Company Culture and Ways of Working*

In the UK, Inmarsat has recently developed and introduced several HR initiatives that have been embraced and welcomed by the staff. For example, progressive programmes (such as the High Performance Culture programme),



strategies (such as the Diversity and Inclusion Strategy) and HR policies (such as flexible and remote working, paid leave for volunteering, and additional birthday leave). The Staff Reps look forward to engaging in discussions on these initiatives and would like assurance on the retention of existing policies, a continued focus on the development and adoption of further progressive policies and a continuing commitment to staff training and development.

#### *Headcount*

The Staff Reps welcome Bidco's recognition of the pivotal role that the staff will have in Inmarsat's continued success after the Effective Date (as defined in the Announcement) and that there is no expectation of any material change in the balance of skills and functions of staff. There is an expectation that a limited number of PLC-related functions may be reduced in scope or become unnecessary. Accordingly, the Staff Reps would expect Bidco, in conjunction with management, to develop proposals concerning how any such headcount reduction will be implemented and how to mitigate the effect of any such headcount reduction as outlined in the Announcement.

#### *Headquarters*

The Staff Reps welcome the declaration that Bidco intends that Inmarsat will continue to operate as a standalone business group and to maintain headquarters in the UK. The Announcement references Bidco having no intention to make any material restructurings or changes in location of Inmarsat's headquarters and headquarter functions. A specific explanation as to what is meant by non-material restructuring or relocation would be helpful for the Staff Reps to better understand Bidco's intentions.

#### *Terms and Conditions*

It is reassuring that Bidco has committed to safeguarding all contractual and statutory employment rights and that Bidco has said it looks forward to engaging in discussions with the Staff Reps regarding non-contractual terms and conditions and current staff related policies.

The Staff Reps note that in the Announcement that Bidco states pension provisions will be "fully safeguarded in accordance with applicable law".

#### *Incentivisation*

Management incentivisation is a crucial factor for the recruitment, motivation and retention of staff. Accordingly, the Staff Reps welcome Bidco's intention to put in place appropriate arrangements following Acquisition. The Staff Reps also welcome the opportunity to be consulted on any employee incentivisation arrangements.

The Staff Reps recognise that Bidco's compensation for the closure of the company Sharesave schemes is above the industry norm. The Sharesave schemes are an important and much-appreciated benefit to staff at all levels, both in terms of potential monetary reward and as an incentivisation and retention mechanism. As stated above, the Announcement mentions management incentivisation arrangements post the Effective date, but not with regards to other staff. Clarification is requested as to how Bidco intends to address the issue of the longer-term loss of the Sharesave schemes and the incentivisation and retention of non-management staff.

Similarly, the Announcement states that "Inmarsat and Bidco have agreed certain arrangements in respect of annual bonuses for financial year 2019 and maintenance of severance policies". While that commitment is welcomed; clarification concerning the annual bonus scheme and severance policies after financial year 2019 would be appreciated at the appropriate time.

#### *Continuing Process*

Finally, the Staff Reps look forward to establishing a constructive and positive relationship with Bidco as the Acquisition progresses.

The UK Staff Representatives

18 April 2019





