

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART II (EXPLANATORY STATEMENT) OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT. THIS DOCUMENT CONTAINS A PROPOSAL WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE LISTING OF MEGGITT SHARES ON THE OFFICIAL LIST AND OF TRADING OF MEGGITT SHARES ON THE LONDON STOCK EXCHANGE'S MAIN MARKET FOR LISTED SECURITIES.

If you are in any doubt as to the contents of this Document or the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.

If you sell or have sold or otherwise transferred all of your Meggitt Shares, please send this Document together with the accompanying documents (other than documents or forms personal to you) 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 or into or from any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you sell or have sold or otherwise transferred only part of your holding of Meggitt Shares, you should retain these documents and contact the bank, stockbroker or other agent through whom the sale or transfer was effected. If you have recently purchased or otherwise been transferred Meggitt Shares in certificated form, notwithstanding receipt of this Document from the transferor, you should contact Computershare on the relevant telephone number set out below to obtain personalised Forms of Proxy.

The release, publication or distribution of this Document and any accompanying documents (in whole or in part) in or into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Recommended Cash Acquisition of

MEGITT PLC

by

PARKER-HANNIFIN CORPORATION

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

This Document (including all information incorporated into this Document by reference to another source) should be read as a whole and in conjunction with the Forms of Proxy. Your attention is drawn to Part I (*Letter from the Chairman of Meggitt*) of this Document, which contains the unanimous recommendation of the Meggitt Directors that you vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting. A letter from Rothschild & Co and Morgan Stanley explaining the Scheme appears in Part II (*Explanatory Statement*) of this Document and constitutes an explanatory statement in compliance with section 897 of the Companies Act.

Notices of the Court Meeting and the General Meeting, both of which will be held at Pilot Way, Ansty Business Park, Coventry, CV7 9JU, United Kingdom on 21 September 2021, are set out on pages 103 to 113 of this Document. The Court Meeting will start at 10:00 a.m. on that date and the General Meeting at 10:15 a.m. or as soon thereafter as the Court Meeting is concluded or adjourned.

Action to be taken by Meggitt Shareholders and Scheme Shareholders is set out on pages 11 to 15 (*Action to be Taken*) and at paragraph 18 of Part II (*Explanatory Statement*) of this Document. Meggitt Shareholders are asked to complete and return the enclosed BLUE and WHITE Forms of Proxy (or appoint a proxy electronically or online as referred to in this Document) in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by Meggitt's registrar, Computershare, not later than 48 hours before the relevant Meeting (excluding any part of

such 48 hour period falling on a day that is not a working day) (or in the case of any adjournment, not later than 48 hours before the time fixed for the adjourned Meeting). If the BLUE Form of Proxy for the Court Meeting is not lodged by 10:00 a.m. on 17 September 2021, it may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting. Please note that any Forms of Proxy sent to this email address before 10:00 a.m. on 17 September 2021 may be discounted as invalid. In the case of the General Meeting, if the WHITE Form of Proxy for the General Meeting is not lodged by 10:15 a.m. on 17 September 2021 using one of the methods listed above, it will be invalid. Meggitt Shareholders who hold Meggitt Shares in CREST may also appoint a proxy using CREST or online by following the instructions set out in the Forms of Proxy and this Document.

In addition to being able to attend, ask questions and/or raise objections (in the case of the Court Meeting) and vote at the Court and/or General Meeting in person, Meggitt Shareholders and Scheme Shareholders will be given the opportunity to instead remotely attend, ask questions and/or raise any objections and vote at the relevant Meeting remotely via the Virtual Meeting Platform, further details of which are set out below and in the Virtual Meeting Guide. Meggitt Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing shareholders@meggitt.com or on the day via the Lumi platform. The Chair of the relevant Meeting will ensure that all such questions and/or any objections (in the case of the Court Meeting) relating to the formal business of the Meeting are addressed during the Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair's discretion, otherwise be undesirable in the interests of the Company or the good order of the relevant Meeting.

All references in this Document to "attend" and "vote" or "attending" and "voting" in the context of the Meetings include remote attendance via the Virtual Meeting Platform and voting by proxy or remotely via the Virtual Meeting Platform respectively.

COVID-19 Restrictions

Whilst COVID-19 restrictions have been lifted as at the date of publication of this notice, the Meggitt Directors note that the COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures which affect the holding of shareholder meetings. As such, whilst shareholders will be permitted to attend the Court Meeting and General Meeting in person if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), Meggitt Shareholders and Scheme Shareholders are strongly encouraged to appoint "the Chair of the meeting" as their proxy for the General Meeting and the Court Meeting, respectively. If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the Meetings, that proxy may not be permitted to attend the relevant Meeting in person (but will be able to remotely attend, ask questions and/or raise any objections and vote at the relevant Meeting via the Virtual Meeting Platform, further details of which are set out below and in the Virtual Meeting Guide). Any changes to the arrangements for the Court Meeting and the General Meeting will be communicated to Meggitt Shareholders and Scheme Shareholders before the Meetings, including through our website www.meggittoffer.com and by announcement through a Regulatory Information Service.

Instructions for accessing the Virtual Meeting Platform

In addition to being able to attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the Court and/or General Meeting in person, Scheme Shareholders and Meggitt Shareholders will be given the opportunity to instead remotely attend, ask questions and/or raise objections and vote at the Court Meeting and the General Meeting via a virtual meeting platform provided by Lumi (the "**Virtual Meeting Platform**"). Meggitt Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing shareholders@meggitt.com.

Scheme Shareholders and Meggitt Shareholders can access the Virtual Meeting Platform via a mobile web client, which is compatible with the latest browser versions of Chrome, Firefox, Edge and Safari and can be accessed using any web browser, on a PC or smartphone device. To remotely attend, ask questions and/or raise objections and vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 131-930-229. You will then be prompted to enter your unique shareholder reference number (“SRN”) and PIN. These can be found printed on your Forms of Proxy. If you are unable to access your SRN or PIN please contact the Company’s registrar, Computershare, by calling the shareholder helpline on: +44 (0)370 703 6210. Lines are open between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays). Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Remote access to the Meetings via the website will be available from 9:30 a.m. on 21 September 2021, as further detailed below. However, voting functionality will not be enabled until the Chair of the relevant Meeting declares the poll open. Scheme Shareholders and Meggitt Shareholders will be permitted to ask questions during the course of the relevant Meeting via the Virtual Meeting Platform as set out in the Virtual Meeting Guide. Scheme Shareholders can use the same function to raise any objections they may have to the Scheme at the Court Meeting. Meggitt Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing shareholders@meggitt.com. The Chair of the relevant Meeting will ensure that all such questions and/or any objections (in the case of the Court Meeting) relating to the formal business of the Meeting are addressed during the Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair’s discretion, otherwise be undesirable in the interests of the Company or the good order of the relevant Meeting.

During the relevant Meeting, you must ensure you are connected to the internet at all times in order to ask questions and/or raise any objections (in the case of the Court Meeting) and vote when the Chair commences polling. **Therefore, it is your responsibility to ensure connectivity for the duration of the relevant Meeting via your wireless or other internet connection.** The Virtual Meeting Guide contains further information on remotely accessing and participating in the Meetings via the Virtual Meeting Platform, <https://web.lumiagm.com> and is available on Meggitt’s website at www.meggittoffer.com.

If you wish to appoint a proxy and for the proxy to attend the virtual meeting on your behalf, please contact Computershare by calling the shareholder helpline on: +44 (0)370 703 6210. Lines are open between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays). Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

If your shares are held within a nominee and you wish to access the electronic meeting, you will need to contact your nominee immediately. Duly appointed proxies and corporate representatives should e-mail a scanned copy of their letter of representation and shareholder reference number to corporate-representatives@computershare.co.uk by no later than 48 hours before the start of the relevant Meeting in order to obtain a unique username and PIN to use to access the electronic meeting.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings, you are therefore strongly advised to sign and return your BLUE Form of Proxy by post or transmit a proxy appointment and voting instruction (online or electronically through CREST) for the Court Meeting as soon as possible. The completion and return of the Forms of Proxy or transmission of a proxy appointment or voting instruction (online, or electronically through CREST or by any other procedure described in this Document) will not prevent you from attending and voting at the Court Meeting or the General Meeting, if you are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force).

Certain terms used in this Document are defined in Part IX (*Definitions*). References to times in this Document are to London, United Kingdom time unless otherwise stated.

If you have any questions about this Document, the Court Meeting or the General Meeting, or are in any doubt as to how to complete the Forms of Proxy or to submit your proxies electronically or online, please call Computershare between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public

holidays) on +44 (0)370 703 6210. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Rothschild & Co is authorised and regulated by the FCA in the United Kingdom and is acting exclusively as joint financial adviser to Meggitt and no one else in connection with the matters set out in this Document and will not be responsible to anyone other than Meggitt for providing the protections afforded to clients of Rothschild & Co nor for providing advice in connection with any matter referred to herein. Neither Rothschild & Co nor any of its affiliates (nor their respective directors, officers, employees or agents) 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 Rothschild & Co in connection with this Document or any statement contained herein.

Morgan Stanley is authorised by the PRA in the United Kingdom and regulated by the FCA and the PRA in the United Kingdom and is acting as joint financial adviser and joint corporate broker for Meggitt and no one else in relation to the matters referred to in this Document. In connection with such matters, Morgan Stanley, its affiliates and its respective directors, officers, employees and agents will not regard any other person as their client, nor will it be responsible to anyone other than Meggitt for providing the protections afforded to their clients or for providing advice in connection with the matters described in this Document or any matter referred to herein.

BofA Securities is authorised by the PRA and regulated in the United Kingdom by the FCA and the PRA and is acting as joint corporate broker for Meggitt and no one else in relation to the matters referred to in this Document. In connection with such matters, BofA Securities, its affiliates and its respective directors, officers, employees and agents will not regard any other person as their client, nor will it be responsible to anyone other than Meggitt for providing the protections afforded to their clients or for providing advice in connection with the matters described in this Document or any matter referred to herein.

In accordance with the Takeover Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, BofA Securities, Morgan Stanley and their affiliates will continue to act as exempt principal traders in Meggitt 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. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

Citi, which is authorised in the UK by the PRA and regulated by the FCA and PRA, is acting exclusively as financial adviser for Parker and no one else in connection with the Acquisition, and will not be responsible to anyone other than Parker for providing the protections afforded to clients of Citi nor for providing advice in relation to the Acquisition or any other matters referred to in this Document. Neither Citi nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Citi in connection with this Document, any statement contained herein, the Acquisition or otherwise.

No person has been authorised to give any information or make any representations other than those contained in this Document and, if given or made, such information or representations must not be relied upon as having been authorised by Meggitt, the Meggitt Directors, Parker, the Parker Directors or by Citi, BofA Securities, Morgan Stanley or Rothschild & Co or any other person involved in the Acquisition. Neither the delivery of this Document nor holding the Meetings, the Scheme Court Hearing, or filing the Court Order shall, under any circumstances, create any implication that there has been no change in the affairs of the Meggitt Group or the Parker Group since the date of this document or that the information in, or incorporated into, this document is correct as at any time subsequent to its date.

IMPORTANT NOTICE

The release, publication or distribution of this Document in or into or from jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This Document does not constitute an offer or invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this Document or otherwise in any jurisdiction in which such offer or solicitation is unlawful.

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 forth in this Document since such date. Nothing in this Document shall be deemed to be a forecast, projection or estimate of the future financial performance of Meggitt or Parker except where otherwise stated.

This Document is not a prospectus or prospectus-equivalent document.

Overseas Shareholders

This Document has been prepared for the purposes of complying with English law, the Takeover Code, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules 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 England and Wales.

The availability of the Acquisition to Meggitt Shareholders who are not resident in and citizens of the UK 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 UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their Meggitt Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Parker or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this Document and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented (with the consent of the Panel and subject to and in accordance with the terms of the Cooperation Agreement) by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail 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 the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

Notice to US investors

The Acquisition relates to shares in an English company and is proposed to be made by means of a scheme of arrangement under English company law. US Meggitt Shareholders should note that the Scheme relates to the shares of an English company and will be governed by English law. Neither the US proxy solicitation rules nor the tender offer rules under the US Exchange Act will apply to the Acquisition and the Scheme. Moreover, the Acquisition and the Scheme are subject to the disclosure requirements and practices applicable in England to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules.

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 US.

Neither the SEC nor any securities commission of any state of the US nor any other US regulatory authority has approved the Acquisition, passed upon the fairness of the Acquisition or passed upon the adequacy or accuracy of this Document. Any representation to the contrary is a criminal offence in the US.

To the extent permitted by applicable law, in accordance with normal UK practice, Parker or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Meggitt Shares outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. If Parker were to elect (with the consent of the Panel and subject to and in accordance with the terms of the Cooperation Agreement) to implement the Acquisition by means of a Takeover Offer, such Takeover Offer would be made in compliance with all applicable United States laws and regulations, including Section 14(e) of the US Exchange Act, as amended, and Regulation 14E thereunder, subject to exemptive relief, including in respect of Rule 14e-5 thereunder.

In accordance with the Takeover Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, BofA Securities, Morgan Stanley and their affiliates will continue to act as exempt principal traders in Meggitt 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. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

The receipt of consideration by a US Meggitt Shareholder for the transfer of its Meggitt Shares pursuant to the Acquisition will likely be a taxable transaction for United States federal income tax purposes. Each US Meggitt Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to them, including under applicable United States state and local, as well as overseas and other, tax laws.

It may be difficult for US Meggitt Shareholders to enforce their rights and any claim arising out of the US federal securities laws, since Meggitt is located in a non-US jurisdiction, and some or all of its officers and directors are residents of non-US jurisdictions. US Meggitt Shareholders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Document (including information incorporated by reference in this Document), oral statements made regarding the Acquisition, and other information published by Meggitt, any member of the Meggitt Group, Parker, or any member of the Parker Group contain statements which are, or may be deemed to be, "forward-looking statements", including for the purposes of the US Private Securities Litigation Reform Act of 1995. Such forward-looking statements are prospective in nature and are not based on

historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which Meggitt, any member of the Meggitt Group, Parker, or any member of the Parker Group or the Combined Group shall operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements.

The forward-looking statements contained in this Document may relate to Meggitt, any member of the Meggitt Group, Parker, or any member of the Parker Group or the Combined Group's future prospects, developments and business strategies, the expected timing and scope of the Acquisition and all other statements in this Document other than statements of historical facts. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'intend', 'aim', 'project', 'anticipate', 'estimate', 'target', 'plan', 'believe', 'expect', 'may', 'should', 'will', 'continue' or, in each case, their negative and other variations or other similar or comparable words and expressions. Forward-looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Meggitt, any member of the Meggitt Group, Parker, or any member of the Parker Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Meggitt, any member of the Meggitt Group, Parker, or any member of the Parker Group's business.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future. These events and circumstances include changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or disposals. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors.

None of Meggitt, any member of the Meggitt Group, Parker, nor any member of the Parker Group, 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 Document shall actually occur. Given these risks and uncertainties, potential investors should not place any reliance on forward-looking statements.

The forward-looking statements speak only at the date of this Document. All subsequent oral or written forward-looking statements attributable to Meggitt, any member of the Meggitt Group, Parker, or any member of the Parker Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

Meggitt, each member of the Meggitt Group, Parker, and each member of the Parker Group expressly disclaims any obligation to update such statements other than as required by law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

NO PROFIT FORECASTS OR ESTIMATES

The Meggitt Profit Forecast is a profit forecast for the purposes of Rule 28 of the Takeover Code. The Meggitt Profit Forecast, the assumptions and basis of preparation on which the Meggitt Profit Forecast is based and the Meggitt Directors' confirmation, as required by Rule 28.1 of the Takeover Code, are set out in Part VIII (*Meggitt Profit Forecast*) of this Document.

Other than the Meggitt Profit Forecast, no statement in this Document, or incorporated by reference 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 Meggitt or Parker, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Meggitt or Parker, as appropriate.

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 Meggitt Shareholders, persons with information rights and other relevant persons for the receipt of communications from Meggitt may be provided to Parker, members of the Parker Group and/or their respective advisers 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.

NOTE REGARDING NON-US GAAP FINANCIAL MEASURES

This Document contains references to non-US GAAP financial information for Meggitt, including EBITDA, adjusted EBITDA, and adjusted EBITDA margin. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. For further information, see paragraph 19 of Part IX (*Additional information on Meggitt and Parker*).

DEALING DISCLOSURE REQUIREMENTS

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. on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. 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. 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 shall 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 Panel's website at <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.

PUBLICATION ON WEBSITE AND AVAILABILITY OF THIS DOCUMENT

A copy of this Document shall be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Meggitt and Parker's websites at www.meggittoffer.com and www.aerospacegrowth.com respectively by no later than 12:00 noon on the Business Day following the date of publication of this Document. For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this Document.

Meggitt Shareholders may request a hard copy of this Document or information incorporated into this Document by reference to another source, free of charge, by calling the Company's registrar, Computershare, on +44 (0)370 703 6210 or by writing to Computershare at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY stating your name, and the address to which the hard copy should be sent. A hard copy of any such information will not be sent to you unless you so request it. You may also request that all future documents, announcements and information sent to you in relation to the Acquisition should be in hard copy form.

This Document is dated 16 August 2021.

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ACTION TO BE TAKEN

For the reasons set out in this Document, the Meggitt Directors, who have been so advised by Rothschild & Co and Morgan Stanley as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the Meggitt Directors, Rothschild & Co and Morgan Stanley have taken into account the commercial assessments of the Meggitt Directors. Rothschild & Co and Morgan Stanley are providing independent financial advice to the Meggitt Directors for the purposes of Rule 3 of the Takeover Code.

Accordingly, in order to implement the Acquisition, the Meggitt Directors unanimously recommend that you vote in favour of the Scheme at the Court Meeting and the Special Resolution proposed at the General Meeting, as the Meggitt Directors have irrevocably undertaken to do in respect of those Meggitt Shares they hold and in respect of which they control the voting rights, and that you take the action described below.

This page should be read in conjunction with the rest of this Document, and in particular, paragraph 11 of Part I (*Letter from the Chairman of Meggitt*) and paragraph 18 of Part II (*Explanatory Statement*) of this Document and the notices of the Court Meeting and the General Meeting at the end of this Document.

All references in this Document to “attend” and “vote” or “attending” and “voting” in the context of the Meetings include remote attendance via the Virtual Meeting Platform and voting by proxy or remotely via the Virtual Meeting Platform respectively.

1. Documents

Please check that you have received the following:

- a BLUE Form of Proxy for use in respect of the Court Meeting to be held on 21 September 2021;
- a WHITE Form of Proxy for use in respect of the General Meeting to be held on 21 September 2021;
- the Virtual Meeting Guide prepared by Lumi explaining how Meggitt Shareholders and Scheme Shareholders can remotely access and participate in the Meetings via the Virtual Meeting Platform; and
- a pre-paid envelope for use in the UK only for the return of the BLUE Form of Proxy and the WHITE Form of Proxy.

If you have not received all of these documents, please contact the Shareholder Helpline operated by Computershare between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays) on +44 (0)370 703 6210. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

2. Voting at the Court Meeting and the General Meeting

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 SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY BY POST (OR TRANSMIT A PROXY APPOINTMENT AND VOTING INSTRUCTION ONLINE OR THROUGH THE CREST ELECTRONIC PROXY APPOINTMENT SERVICE) AS SOON AS POSSIBLE.

The Scheme will require approval at a meeting of Scheme Shareholders convened with the permission of the Court to be held at Pilot Way, Ansty Business Park, Coventry, CV7 9JU, United Kingdom at 10:00 a.m. on 21 September 2021. Implementation of the Scheme will also require approval of the Special Resolution relating to the Acquisition to be proposed at the General Meeting. The General

Meeting will be held at the same place as the Court Meeting at 10:15 a.m. on 21 September 2021 (or as soon thereafter as the Court Meeting concludes or is adjourned).

Scheme Shareholders and Meggitt Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting and the General Meeting as soon as possible, using any of the methods (by post, online or electronically through CREST) set out below.

As set out in the opening pages of this Document, in Part I (*Letter from the Chairman of Meggitt*), Part XI (*Notice of Court Meeting*) and Part XII (*Notice of General Meeting*), Scheme Shareholders, Meggitt Shareholders and other attendees will be able to attend the Court Meeting and the General Meeting in person, or remotely attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the Court Meeting or the General Meeting via the Virtual Meeting Platform, as described in the opening pages of this Document and the Virtual Meeting Guide. Meggitt Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing shareholders@meggitt.com.

Scheme Shareholders and Meggitt Shareholders are required to submit or amend proxy voting instructions in respect of the relevant Meeting not later than 48 hours before the relevant Meeting (excluding any part of such 48 hour period falling on a day that is not a working day) (or in the case of any adjournment, not later than 48 hours before the time fixed for the adjourned Meeting). **In the case of the Court Meeting only**, Scheme Shareholders who have not cast or amended their proxy voting instructions by this time may email the BLUE Form of Proxy to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof.

Meggitt Shareholders are entitled to appoint a proxy in respect of some or all of their Meggitt 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. Meggitt Shareholders who wish to appoint more than one proxy in respect of their holding of Meggitt Shares should contact Computershare for further Forms of Proxy or photocopy the Forms of Proxy as required.

(a) ***Sending Forms of Proxy by post***

Please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them to Computershare, the Company's registrar, by post to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, so as to be received as soon as possible and in any event not later than the relevant times set out below:

BLUE Forms of Proxy for the Court Meeting 10:00 a.m. on 17 September 2021

WHITE Forms of Proxy for the General Meeting 10:15 a.m. on 17 September 2021

or, if in either case the Meeting is adjourned, the relevant Form of Proxy should be received not later than 48 hours (excluding any part of such 48 hours period falling on a day that is not a working day) before the time fixed for the adjourned Meeting.

If the BLUE Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting. **However, if the WHITE Form of Proxy for the General Meeting is not lodged by the relevant time, it will be invalid.**

The completion and return of the Forms of Proxy by post or email (or transmission of a proxy appointment or voting instruction electronically, online, through CREST or by any other procedure described in this Document) will not prevent you from attending and voting at the Court Meeting or the General Meeting, if you are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force).

(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.investorcentre.co.uk/eproxy and following the instructions therein. For an electronic proxy appointment to be valid, the appointment must be received by Computershare not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting (as set out in paragraph 2(a) above) or any adjournment thereof. In the case of the Court Meeting only, if the electronic proxy appointment is not received by this time, the BLUE Form of Proxy may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof. Full details of the procedure to be followed to appoint a proxy electronically are given on www.investorcentre.co.uk/eproxy.

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

If you hold Meggitt Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Court Meeting or the General Meeting (or any adjourned 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 Meetings set out in Part XI (*Notice of Court Meeting*) and Part XII (*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 Computershare (ID: 3RA50) not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting (as set out in paragraph 2(a) above) or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Computershare are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. **In the case of the Court Meeting only**, if the CREST proxy appointment or instruction is not received by this time, the BLUE Form of Proxy may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof.

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 any particular time. For further information on the logistics of submitting messages in CREST, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Meggitt may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

3. Instructions for accessing the Virtual Meeting Platform

In addition to being able to attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the Court and/or General Meeting in person, Scheme Shareholders and Meggitt Shareholders will be given the opportunity instead to remotely attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the Court Meeting and the General Meeting via the Virtual Meeting Platform provided by Lumi. Meggitt Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing shareholders@meggitt.com.

Scheme Shareholders and Meggitt Shareholders can access the Virtual Meeting Platform via a mobile web client, which is compatible with the latest browser versions of Chrome, Firefox, Edge and Safari and can be accessed using any web browser, on a PC or smartphone device. To remotely attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 131-930-229. You will then be prompted to enter your unique shareholder reference number (“**SRN**”) and PIN. These can be found printed on your Forms of Proxy. If you are unable to access your SRN or PIN please contact the Company’s registrar, Computershare, by calling the shareholder helpline on: +44 (0)370 703 6210. Lines are open between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays). Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Access to the Meetings via the website will be available from 9:30 a.m. on 21 September 2021, as further detailed below. However, voting functionality will not be enabled until the Chair of the relevant Meeting declares the poll open. Scheme Shareholders and Meggitt Shareholders will be permitted to ask questions during the course of the relevant Meeting via the Virtual Meeting Platform as set out in the Virtual Meeting Guide. Scheme Shareholders can use the same function to raise any objections they may have to the Scheme at the Court Meeting. Meggitt Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing shareholders@meggitt.com. The Chair of the relevant Meeting will ensure that all such questions and/or any objections (in the case of the Court Meeting) relating to the formal business of the Meeting are addressed during the Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair’s discretion, otherwise be undesirable in the interests of the Company or the good order of the relevant Meeting.

During the relevant Meeting, you must ensure you are connected to the internet at all times in order to ask questions and/or raise any objections (in the case of the Court Meeting) and vote when the Chair commences polling. **Therefore, it is your responsibility to ensure connectivity for the duration of the relevant Meeting via your wireless or other internet connection.** The Virtual Meeting Guide contains further information on remotely accessing and participating in the Meetings via the Virtual Meeting Platform, <https://web.lumiagm.com> and is available on Meggitt’s website at www.meggittoffer.com.

If you wish to appoint a proxy and for the proxy to attend the virtual meeting on your behalf, please contact Computershare by calling the shareholder helpline on: +44 (0)370 703 6210. Lines are open between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays). Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

If your shares are held within a nominee and you wish to access the electronic meeting, you will need to contact your nominee immediately. Duly appointed proxies and corporate representatives should e-mail a scanned copy of their letter of representation and shareholder reference number to corporate-representatives@computershare.co.uk by no later than 48 hours before the start of the relevant Meeting in order to obtain a unique username and PIN to use to access the electronic meeting.

Whilst COVID-19 restrictions have been lifted as at the date of publication of this notice, the Meggitt Directors note that the COVID-19 situation is constantly evolving, and the UK Government may change

current restrictions or implement further measures which affect the holding of shareholder meetings. As such, whilst shareholders will be permitted to attend the Court Meeting and General Meeting in person if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), Meggitt Shareholders and Scheme Shareholders are strongly encouraged to appoint “the Chair of the meeting” as their proxy for the General Meeting and the Court Meeting, respectively. If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the Meetings, that proxy may not be permitted to attend the relevant Meeting in person (but will be able to remotely attend, ask questions and/or raise any objections and vote at the relevant Meeting via the Virtual Meeting Platform, further details of which are set out below and in the Virtual Meeting Guide). Any changes to the arrangements for the Court Meeting and the General Meeting will be communicated to Meggitt Shareholders and Scheme Shareholders before the Meetings, including through our website www.meggittoffer.com and by announcement through a Regulatory Information Service.

4. Meggitt Share Plans

Participants in the Meggitt Share Plans will be contacted separately regarding the effect of the Scheme on their rights under the Meggitt Share Plans.

5. Shareholder Helpline

If you have any questions about this Document, the Court Meeting, the General Meeting or how to complete the Forms of Proxy or to submit your proxies electronically, please call Computershare between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays) on +44 (0)370 703 6210. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following indicative timetable is based on Meggitt and Parker's current expected dates for the implementation of the Scheme and is subject to change. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to Meggitt Shareholders by announcement through the Regulatory Information Service of the London Stock Exchange.

<i>Event</i>	<i>Time and/or date⁽¹⁾</i>
Publication of this Document	16 August 2021
Latest time for lodging Forms of Proxy for the:	
Court Meeting (BLUE form)	10:00 a.m. on 17 September 2021 ⁽²⁾
General Meeting (WHITE form)	10:15 a.m. on 17 September 2021 ⁽³⁾
Voting Record Time	6:30 p.m. on 17 September 2021 ⁽⁴⁾
Court Meeting	10:00 a.m. on 21 September 2021
General Meeting	10:15 a.m. on 21 September 2021⁽⁵⁾
<i>The following dates and times associated with the Scheme are subject to change and will depend on, among other things, the date on which the Conditions to the Scheme are satisfied or, if capable of waiver, waived, and the date on which the Court sanctions the Scheme. Meggitt will give adequate notice of all of these dates and times, when known, by issuing an announcement through a Regulatory Information Service, with such announcement being made available on Meggitt's website at www.meggittoffer.com. Further updates and changes to these times will be notified in the same way. See also note (1).</i>	
Scheme Court Hearing	a date no later than 21 days after the satisfaction (or, if applicable, waiver) of the Conditions (other than Condition 2(C)) and, in any event, prior to the Long Stop Date ("D")
Last day for dealings in, and for the registration of transfer of, Meggitt Shares	D+1 Business Day
Scheme Record Time	6:30 p.m. on D+1 Business Day
Disablement of CREST in respect of Meggitt Shares	6:30 p.m. on D+1 Business Day
Suspension of dealings in Meggitt Shares	by 7:30 a.m. on D+2 Business Days
Effective Date of the Scheme	D+2 Business Days⁽⁶⁾
Cancellation of listing of Meggitt Shares	by 7:30 a.m. on D+3 Business Days
Latest date for despatch of cheques and crediting of CREST accounts for cash consideration due under the Scheme	by 14 days after the Effective Date
Long Stop Date ⁽⁷⁾	2 February 2023

(1) The dates and times given are indicative only and are based on current expectations and are subject to change (including as a result of changes to the regulatory timetable).

References to times are to London, United Kingdom time unless otherwise stated. If any of the times and/or dates above change, the revised times and/or dates will be notified to Meggitt Shareholders by announcement through a Regulatory Information Service.

Participants in the Meggitt Share Plans will be contacted separately to inform them of the effect of the Scheme on their rights under the Meggitt Share Plans, including details of any appropriate proposals being made and dates and times relevant to them.

- (2) It is requested that BLUE Forms of Proxy for the Court Meeting be lodged not later than 48 hours prior to the time appointed for the Court Meeting or, if the Court Meeting is adjourned, 48 hours prior to the time fixed for any adjourned Court Meeting (excluding any part of such 48 hour period falling on a day that is not a working day). If the BLUE Form of Proxy for the Court Meeting is not lodged by 10:00 a.m. on 17 September 2021, it may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting. Please note that any Forms of Proxy sent to this email address before 10:00 a.m. on 17 September 2021 may be discounted as invalid.
- (3) In order to be valid, the WHITE Forms of Proxy for the General Meeting must be lodged not later than 10:15 a.m. on 17 September 2021 or, if the General Meeting is adjourned, 48 hours prior to the time fixed for the adjourned General Meeting (excluding any part of such 48 hour period falling on a day that is not a working day).
- (4) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned Meeting will be 6:30 p.m. on the day which is two Business Days prior to the date of the adjourned Meeting.
- (5) To commence at 10:15 a.m. or as soon thereafter as the Court Meeting concludes or is adjourned.
- (6) Parker expects that, subject to the satisfaction (or, where applicable, waiver) of the Conditions in Part III (Conditions to the Implementation of the Scheme and to the Acquisition) of this Document, the Acquisition will become Effective during Q3 of 2022.
- (7) This is the latest date by which the Scheme may become Effective. However, the Long Stop Date may be extended to such later date as may be agreed by Meggitt and Parker (with the Panel's consent and as the Court may approve (if such approval(s) is/are required)) or if the Panel requires an extension to the Long Stop Date pending final determination of an issue under section 3(g) of Appendix 7 of the Takeover Code.

PART I

LETTER FROM THE CHAIRMAN OF MEGGITT

(Incorporated in England and Wales with registered number 00432989)

Directors:

Sir Nigel Rudd DL (*Non-Executive Chairman*)

Antony Wood (*Chief Executive Officer*)

Louisa Burdett (*Chief Financial Officer*)

Alison Goligher OBE (*Senior Independent Non-Executive Director*)

Guy Berruyer (*Independent Non-Executive Director*)

Colin Day (*Independent Non-Executive Director*)

Nancy Gioia (*Independent Non-Executive Director*)

Guy Hachey (*Independent Non-Executive Director*)

Caroline Silver (*Independent Non-Executive Director*)

Meggitt PLC
Pilot Way
Ansty Business Park
Coventry
CV7 9JU
United Kingdom

16 August 2021

To the holders of Meggitt Shares and, for information only, to holders of awards and options under the Meggitt Share Plans and persons with information rights.

Dear Shareholder,

RECOMMENDED CASH ACQUISITION OF MEGGITT PLC BY PARKER-HANNIFIN CORPORATION

1. Introduction

On 2 August 2021, the boards of Meggitt and Parker announced that they had reached agreement on the terms of a recommended cash acquisition pursuant to which Parker proposes to acquire the entire issued and to be issued share capital of Meggitt. The Acquisition is to be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

I am writing to you today, on behalf of the Meggitt Directors, to set out the background to the Acquisition and the reasons why the Meggitt Directors consider the terms of the Acquisition to be fair and reasonable and are unanimously recommending that you vote in favour of the Scheme at the Court Meeting and in favour of the Special Resolution to be proposed at the General Meeting, as the Meggitt Directors have irrevocably undertaken to do in respect of those Meggitt Shares they hold and in respect of which they control the voting rights, which amount in total to 409,790 Meggitt Shares representing, in aggregate, approximately 0.05 per cent. of the issued ordinary share capital of Meggitt as at the Latest Practicable Date. I draw your attention to the letter from Rothschild & Co and Morgan Stanley set out in Part II (Explanatory Statement) of this Document which gives details about the Acquisition and to the additional information set out in Part VIII (Additional Information on Meggitt and Parker) of this Document. Further information relating to the irrevocable undertakings given by those Meggitt Directors who hold Meggitt Shares, including the circumstances in which they cease to be binding, is set out at paragraph 6 of this letter, and in paragraph 6 of Part VIII (Additional Information on Meggitt and Parker) of this Document.

In order to approve the terms of the Acquisition, the required majority of Scheme Shareholders will need to vote in favour of the resolution to be proposed at the Court Meeting and the required majority of Meggitt Shareholders will need to vote in favour of the Special Resolution to be proposed at the General Meeting. The Court Meeting and the General Meeting are to be held at Pilot Way, Ansty Business Park, Coventry, CV7 9JU, United Kingdom on 21 September 2021 at 10:00 a.m. and 10:15 a.m. (or immediately after the conclusion of the Court Meeting), respectively.

Scheme Shareholders and Meggitt Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting and the General Meeting as soon as possible, using any of the methods (by post, online or electronically through CREST) set out in this Document. Whilst COVID-19 restrictions have been lifted as at the date of publication of this Document, the Meggitt Directors note that the COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures which affect the holding of shareholder meetings. As

such, whilst Scheme Shareholders and Meggitt Shareholders will be permitted to attend the Court Meeting and General Meeting in person if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), Meggitt Shareholders and Scheme Shareholders are strongly encouraged to appoint “the Chair of the meeting” as their proxy for the General Meeting and the Court Meeting, respectively.

If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the Meetings, that proxy may not be permitted to attend the relevant Meeting in person (but will be able to remotely attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the relevant Meeting via the Virtual Meeting Platform, further details of which are set out in the opening pages of this Document and in the Virtual Meeting Guide). Meggitt Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing shareholders@meggitt.com or on the day via the Virtual Meeting Platform.

Details of the actions you should take are set out in paragraph 18 of Part II (*Explanatory Statement*) of this Document. The recommendation of the Meggitt Directors is set out in paragraph 14 of this letter.

2. Summary of the terms of the Acquisition

Under the terms of the Acquisition, which is subject to the Conditions and further terms set out in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document, Scheme Shareholders at the Scheme Record Time will be entitled to receive:

for each Scheme Share: 800 pence in cash

The Acquisition values the entire issued and to be issued ordinary share capital of Meggitt at approximately £6.3 billion on a fully diluted basis and represents:

- a premium of approximately 70.5 per cent. to the Closing Price of 469.1 pence per Meggitt Share on 30 July 2021 (being the last Business Day prior to the commencement of the Offer Period); and
- a premium of approximately 73.8 per cent. to the volume-weighted average Closing Price of 460.2 pence per Meggitt Share for the six-month period ended on 30 July 2021 (being the last Business Day prior to the commencement of the Offer Period).

Parker will have the right to reduce the aggregate consideration payable under the terms of the Acquisition by an amount up to the aggregate amount of any dividend, distribution and/or other return of capital or value which is or has been declared, made or paid or becomes payable in respect of the Meggitt Shares on or after the date of the 2.7 Announcement and before the Effective Date. In such circumstances, Meggitt Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital or value. For further details, please refer to paragraph 2 of Part II (*Explanatory Statement*) and paragraph 2 of Part D (*Certain further terms of the Acquisition*) of Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*).

Further information about the Acquisition is provided in Part II (*Explanatory Statement*) of this Document.

Parker will make further announcements, as appropriate, in respect of the antitrust and foreign investment approvals upon which the Acquisition is conditional.

3. Background to and reasons for the recommendation

Meggitt is one of the world’s leading aerospace, defence and selected energy market businesses, with a unique portfolio of technologies, products and capabilities that underpin strong market positions.

In recent years, management has been successfully delivering a strategy that has fundamentally improved Meggitt’s competitive position and its standing with customers, transitioning the business from a conglomerate holding company to a focused and strategically cohesive business through a programme of non-core disposals and targeted partnerships and acquisitions. Meggitt has continued to increase its exposure to attractive and growing markets where it has strong competitive positions through its investment in differentiated technology and capabilities. The company’s strategy to develop

best-in-class products and technologies for aerospace and defence markets, with very high requirements for product safety, performance and reliability, has resulted in strong sole-source, life-of-programme positions on growing aerospace platforms. In turn, this has delivered an increase of approximately 70 per cent. in shipset content on average on the latest generation of platforms. This strong position in original equipment underpins Meggitt's presence in the aftermarket which has enabled Meggitt to secure attractive long-term annuity revenue streams. In combination with its strong aerospace and defence positions, Meggitt has a highly attractive aero-derived energy business with strong growth opportunities in renewables and low-carbon applications.

The benefits of Meggitt's strategy were increasingly clear prior to COVID-19, with Meggitt recording seven consecutive quarters of revenue growth, achieving record operating profit and strong cash generation in FY 2019, and creating significant value for shareholders.

With the onset of COVID-19 in early 2020, management took quick and decisive action in the face of unprecedented challenges in the aerospace sector, resulting in significant cash savings and positioning the business to remain competitive in that environment. Meggitt successfully delivered £450m of in-year cash savings, generated positive free cash flow and reduced net debt in FY 2020. Meggitt also continued to progress key strategic initiatives including the sale of its Training Systems business, investment in the Ansty Park campus, and the acceleration of Meggitt's existing sustainability strategy.

As such, Meggitt remains strongly positioned, with a compelling standalone strategy which the Meggitt Board believes would deliver attractive value for Meggitt Shareholders over the long term as Meggitt's key markets, particularly commercial aerospace, recover. At the same time, however, there remains significant uncertainty as to the precise timing and speed of that recovery.

In that context, although the Meggitt Board did not solicit an offer for Meggitt, and several earlier, lower proposals from Parker were rejected, the Meggitt Board believes that the Acquisition substantially accelerates and de-risks the delivery of that value. In considering the financial terms of the Acquisition and determining whether they reflect an appropriate valuation of Meggitt and its future prospects, the Meggitt Board has taken into account a number of factors including that:

- the terms of the Acquisition represent an immediate and significant premium to the current share price, reflective of the significant value inherent in the Meggitt Group, whilst also providing Meggitt Shareholders with certainty of value in cash;
- the terms of the Acquisition represent a premium of approximately 70.5 per cent. to the Closing Price of 469.1 pence per Meggitt Share on 30 July 2021, the last Business Day before the commencement of the Offer Period;
- the terms of the Acquisition represent a premium of approximately 73.8 per cent. to the volume-weighted average Closing Price of 460.2 pence per Meggitt Share for the six-month period ended on 30 July 2021, the last Business Day before the commencement of the Offer Period; and
- the terms of the Acquisition imply an IFRS Enterprise Value multiple of approximately 24.5x 2020 IFRS EBITDA for Meggitt.

In addition to the financial terms of the Acquisition, the Meggitt Board has carefully considered:

- the interests of its wider stakeholders and accordingly held extensive discussions with Parker in relation to the commitments Parker would be willing to offer in order to appropriately safeguard these interests as part of the Acquisition. The Meggitt Board has therefore taken due account of Parker's agreement to offer HM Government a number of legally binding commitments, as further detailed in paragraph 7 of this Part I (*Letter from the Chairman of Meggitt*) below;
- the alignment of Parker and Meggitt's respective business models and long-term outlook to support customers, as well as the investment required to develop next generation programmes and the benefits the enhanced scale of the Combined Group would bring to a broader and more diversified customer base globally;
- Meggitt's cultural compatibility with Parker, which shares Meggitt's core values of high-performance teamwork, integrity and excellence, in addition to Parker's long history of operating within the UK and other geographies in which Meggitt has a presence; and

- the legally binding Memorandum of Understanding that Parker and Meggitt have entered into with the trustee of the UK DB Pension Plan.

Additionally, the Meggitt Board has taken into account Parker's current intentions for the Meggitt Group, as set out in paragraph 8 of this Part I (*Letter from the Chairman of Meggitt*) below, and, in particular, welcomes:

- Parker's commitment to being a responsible steward of Meggitt through the next stage of its evolution and its intention to support Meggitt's management in implementing a number of their existing strategies;
- Parker's expectation that, subject to the ongoing execution of the Meggitt Footprint Optimisation (as described further below), there will not be any other material change to Meggitt or Parker's other locations of business, or any need to redeploy any of the Meggitt Group or Parker Group's fixed assets, as a result of the Acquisition;
- Parker's intention to safeguard the existing employment rights of the management and employees of the Combined Group in accordance with applicable law, as well as Parker's expectation that there will not be any material change in their conditions of employment. The Meggitt Board also notes that, in connection with the implementation of any restructuring, integration and workforce reductions following completion of Parker's Evaluation (as further described below), Parker expects that (where appropriate) it will seek to reallocate staff from discontinued roles to other roles within the Combined Group; and
- Parker's recognition of the importance of upholding Meggitt's pension obligations and ensuring that its pension schemes are appropriately funded in accordance with statutory and trust deed requirements. Accordingly, in addition to the legally binding Memorandum of Understanding that Parker and Meggitt have entered into with the trustee of the UK DB Pension Plan, the Meggitt Board welcomes Parker's intention not to make any changes to the Other Pension Schemes (as defined below) and for employer contributions to the Other Pension Schemes to continue in line with current arrangements.

Accordingly, following careful consideration of both the financial terms of the Acquisition and Parker's plans for the Meggitt business under Parker's ownership, the Meggitt Directors unanimously recommend that Meggitt Shareholders vote in favour of the Scheme at the Court Meeting and the Special Resolution relating to the Acquisition to be proposed at the General Meeting.

4. Background to and reasons for the Acquisition

Parker is a leading worldwide, diversified manufacturer of motion and control technologies and systems, providing precision-engineered solutions for a wide variety of mobile, industrial, and aerospace markets.

In considering prospective acquisitions, Parker looks for targets that are well aligned culturally, as well as strategically, with the goals of The Win Strategy™. This is Parker's global business system, representing a unified strategic vision for its team members worldwide. Anchored by Parker's culture, values and purpose, The Win Strategy™ defines the key operational priorities and metrics used to drive team member engagement, customer experience, profitable growth and financial performance.

Parker believes Meggitt is very well aligned with Parker and the goals of The Win Strategy™. Parker further believes that the Acquisition would be strategically and culturally compelling and enhance the future prospects of the Combined Group within global aerospace and defence industries for the following key reasons:

- Meggitt is an international group headquartered in the UK and is a high-value, leading provider of proprietary and differentiated aerospace and defence technologies with over 70 per cent. of revenue from sole-source positions.
- Meggitt, like Parker, has a rich heritage in the aerospace and defence segments, with a strong culture underpinned by a number of core values, focusing on teamwork, engagement, integrity, operational excellence and innovation.

- Meggitt has a global brand, a complementary business mix, an impressive international base of blue-chip customers and a leading product portfolio.
- Meggitt has been transforming its business over the last four years through its focused strategy, including: (i) streamlining its portfolio and investing in new technologies; (ii) delivering organic growth through its customer-aligned divisions; (iii) creating a high-performance culture across the Meggitt Group; and (iv) improving operational performance and execution through strategic footprint reductions and supplier consolidations; an area where Parker intends to continue to deliver savings across the Combined Group.
- Meggitt and Parker are complementary across diverse portfolios of products, and will thus expand and develop core product lines, add new capabilities and enable innovations on more-electric, low-carbon and other key technologies.
- The acquisition of Meggitt nearly doubles the size of Parker's Aerospace Systems segment, increasing the proportion of the business focused on the aerospace aftermarket by 500 bps.
- Parker believes the Combined Group will be able to provide a stronger value proposition for customers. Parker also believes the Combined Group is poised for strong growth, supported by the commercial aerospace recovery, and will be able to maximise its potential by building on a combined product portfolio and geographic footprint and by sharing operational and functional best practices.

Meggitt and Parker share a heritage as established manufacturers with significant presence across the UK, serving as trusted defence suppliers to the UK and US governments and governments across the EU and globally. The UK is an important market to Parker and a key part of its business. Parker is a highly experienced acquirer with prior experience of successfully integrating UK companies in the industrial sector (including a publicly listed company) into its business. These continue to thrive within the Parker Group. The Acquisition of Meggitt is aligned with Parker's capital deployment strategy. Consistent with its track record as an acquirer, Parker will be a responsible steward of Meggitt, recognising Meggitt's strong UK heritage and safeguarding relevant stakeholders' interests. Parker has therefore agreed with Meggitt to offer a number of legally binding commitments to HM Government, as further detailed in paragraph 7 of this Part I (*Letter from the Chairman of Meggitt*) below.

Based on the preliminary analysis to identify potential synergies and relying principally on Parker's understanding of the market and experience in conducting and integrating previous acquisitions, Parker expects that, following completion of the Acquisition, it can achieve US\$300 million (approximately £216 million) of pre-tax synergies from its combination with Meggitt. It is expected that these synergies will be achieved by the end of the third full year following completion of the Acquisition, and Parker expects to incur approximately US\$240 million (approximately £173 million) in cumulative one-time pre-tax costs to achieve these synergies. Parker anticipates synergies to be achieved primarily through the implementation of The Win Strategy™, improvements to the Combined Group's supply chain, lean, productivity and SG&A operations, as well as continuing Meggitt's strategy of footprint optimisation.

The terms of the Acquisition imply a US GAAP Enterprise Value multiple of 16.3x 2019 US GAAP EBITDA and 10.9x 2019 US GAAP EBITDA (including estimated pre-tax synergies of approximately £216 million) for Meggitt.

Parker expects the combination to be earnings accretive in the first full 12 months after closing. The Acquisition is expected to drive incremental sales growth and cash flow accretion, and deliver a high single-digit ROIC in year five which should grow thereafter. Parker remains committed to maintaining a strong balance sheet and investment grade credit rating.

5. Unsolicited Proposal from TransDigm

As announced by Meggitt on 11 August 2021, on 10 August 2021, Meggitt received a preliminary, non-binding proposal from TransDigm Group Incorporated ("**TransDigm**") with respect to a possible cash offer of 900 pence per Meggitt Share for the entire issued and to be issued share capital of Meggitt (the "**TransDigm Proposal**").

As set out in that announcement, the Meggitt Board will consider carefully not only the financial terms of any offer but also TransDigm's plans for the Company and the potential impact across all its

stakeholders including, but not limited to, Meggitt's employees, pension schemes and customers together with HM Government and other regulatory bodies.

In particular, the Meggitt Board will assess any competing proposal by reference to whether it includes commitments at least equivalent to those made by Parker as set out in this Document, including: (i) an undertaking to offer HM Government at least equivalent commitments to those agreed to be offered by Parker under paragraph 7 of this Part I (*Letter from the Chairman of Meggitt*); (ii) at least an equivalent level of certainty regarding satisfaction of regulatory approvals as provided by Parker in the Cooperation Agreement; (iii) agreement with the relevant trustees in respect to the funding of Meggitt's pension schemes on terms acceptable to the Meggitt Board; and (iv) commitments in respect of employment and related protections at least equivalent to those made by Parker in paragraph 8 of this Part I (*Letter from the Chairman of Meggitt*).

On 11 August 2021, TransDigm confirmed in its own announcement that it had made an approach to Meggitt regarding a possible acquisition of the entire issued and to be issued share capital of Meggitt for cash consideration. That announcement did not include any price at which any offer might be made and TransDigm reserved its right to introduce other forms of consideration and/or vary the mix or composition of consideration of any offer.

There can be no certainty that any firm offer will be made by TransDigm for Meggitt nor as to the terms on which any offer might be made.

The Panel will announce the deadline by which TransDigm must clarify its intentions in relation to Meggitt. Meggitt Shareholders will be kept informed of developments in respect of the TransDigm Proposal when appropriate via announcements through a Regulatory Information Service.

As set out in paragraph 14 of this Part I (*Letter from the Chairman of Meggitt*), the Meggitt Directors unanimously recommend that Meggitt Shareholders vote or procure votes in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting.

6. Irrevocable undertakings

Parker has received irrevocable undertakings from the Meggitt Directors to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting (and, if the Acquisition is subsequently structured as a Takeover Offer, to accept any Takeover Offer made by Parker in accordance with the terms of the irrevocable undertakings) in respect of those Meggitt Shares that they hold and the voting rights of which they control, amounting to, in aggregate, 409,790 Meggitt Shares (representing approximately 0.05 per cent. of the issued ordinary share capital of Meggitt) as at the Latest Practicable Date.

The undertakings from the Meggitt Directors remain binding in the event of a higher competing offer for Meggitt and will cease to be binding only if: (i) Parker announces that it does not intend to make or proceed with the Acquisition and no new, revised or replacement Takeover Offer or Scheme is announced in accordance with Rule 2.7 of the Takeover Code at the same time; (ii) the Takeover Offer or Scheme lapses or is withdrawn and no new, revised or replacement Takeover Offer or Scheme has been announced, in accordance with Rule 2.7 of the Takeover Code, in its place or is announced, in accordance with Rule 2.7 of the Takeover Code, at the same time; or (iii) any competing offer for the entire issued and to be issued share capital of Meggitt becomes, or is declared, wholly unconditional or, if proceeding by way of a scheme of arrangement, becomes effective.

Further details of these irrevocable undertakings, including the circumstances in which they cease to be binding, are set out in paragraph 6 of Part VIII (*Additional Information on Meggitt and Parker*) of this Document. Copies of the irrevocable undertakings are available on Meggitt's website at www.meggittoffer.com and will remain on display until the end of the Offer Period.

7. Binding commitments to HM Government

Parker has long recognised the unparalleled alliance that exists between the UK and the US in the defence and aerospace community.

In recognition of the importance of Meggitt's rich UK heritage and relationships with its key stakeholders, Parker has agreed as part of the Cooperation Agreement with Meggitt that it will offer

legally binding commitments to HM Government to the effect that, following completion of the Acquisition, it will:

- (i) ensure that Meggitt will continue to meet its contractual obligations in respect of goods and services supplied to or for the benefit of HM Government; (ii) maintain its existing technology and manufacturing that resides in the UK for the benefit of HM Government; and (iii) ensure that Meggitt continues to comply with and enforce security protocols prescribed by HM Government and allows officials to inspect Meggitt's premises to verify compliance, in each case unless HM Government otherwise consents;
- maintain Meggitt's UK headquarters and new operational centre of excellence at Ansty Park to facilitate growth in its UK and European defence and aerospace businesses and operate each of Meggitt's existing divisions under the combined Parker-Meggitt name beneath a UK legal entity;
- ensure all four current divisions of Meggitt (being Airframe Systems, Engine Systems, Energy & Equipment and Services & Support) remain in place following completion of the Acquisition;
- maintain Meggitt's existing R&D, product engineering and direct manufacturing labour headcount in the UK at no less than current levels (assuming no material change to current levels between the date of the 2.7 Announcement and the Effective Date and subject to normal productivity improvements and business conditions);
- increase by at least ten per cent. the number of overall apprenticeship opportunities currently offered by Meggitt in the UK;
- at least maintain Meggitt's existing level of expenditure with respect to R&D in the UK and, subject to normal levels of growth and activity occurring in the aerospace industry, increase this by at least 20 per cent. over the next five years;
- in line with HM Government's sustainability commitments, maintain Meggitt's target of investing at least two-thirds of its research and technology budget for the UK in projects relating to sustainable aviation and low-carbon energy;
- ensure the majority of the board of directors of Meggitt, which will be a subsidiary of Parker, and relevant Meggitt UK subsidiaries, will be UK nationals and, where required, security cleared; and
- commit to Meggitt's targets of reducing net carbon emissions by 50 per cent. by 2025 and achieving net zero greenhouse gas emissions by 2050 across the existing Meggitt business.

Parker intends to agree the form, nature and detail (including duration) of these commitments in discussions with HM Government and other stakeholders. No statement in this paragraph 7 constitutes or is intended to become a post-offer undertaking under Rule 19.5 of the Takeover Code.

8. Intentions regarding business, employees, pension schemes, locations and research and development

Parker believes that a combination with Meggitt will maximise the Combined Group's future growth and profitability potential through complementary product portfolios and geographic footprint, commitment to technology-rich innovation, complementary cultures and a shared commitment to operational excellence.

Parker is committed to being a responsible steward of Meggitt through the next stage of its evolution and, as described in more detail below, intends to support Meggitt's management in implementing a number of their existing strategies.

UK strategic capability and commitment

Parker recognises the important role that Meggitt plays, both as a leading UK business and in supporting the UK's strategic capabilities. Under its ownership, Parker will be a responsible steward of the Meggitt business and will continue to demonstrate a commitment to supporting the success of the UK, at home and abroad.

Parker will commit to ensuring that Meggitt will continue to meet its contractual obligations in respect of goods and services supplied to or for the benefit of HM Government, and maintain Meggitt's existing technology and manufacturing that resides in the UK for the benefit of HM Government, as required.

Demonstrating Parker's commitment to the UK, following completion of the Acquisition, the majority of the board of directors of Meggitt, which will be a subsidiary of Parker, will be UK nationals and, where required, security-cleared. Further, the majority of the board of directors of relevant subsidiaries of Meggitt will also be UK nationals and, where required, security-cleared. Parker will also support Meggitt's continued active participation in the ADS Group.

Parker recognises the high standards and protocols that need to be observed, and Parker remains committed to ensuring that Meggitt continues to comply with and enforce applicable security protocols prescribed by HM Government and to allow officials to inspect Meggitt's premises, as required, to verify compliance.

Evaluation of the Meggitt business and implications of the Acquisition

Prior to the 2.7 Announcement, consistent with market practice, Parker was granted limited access to certain Meggitt information for the purposes of confirmatory due diligence. However, because of applicable regulatory controls, and the constraints of a public offer process, Parker has not received sufficiently detailed information to formulate definitive plans regarding the impact of the Acquisition on the Meggitt Group.

Based on the limited work Parker has been able to conduct so far and subject to such further review, the principal sources of synergies across the Combined Group are currently anticipated to be in, among others, the following areas: (i) procurement savings opportunities; (ii) footprint optimisation; (iii) overlap in central corporate and support functions; and (iv) general and administrative expenses.

Following completion of the Acquisition, Parker intends to undertake a full evaluation of the Meggitt Group which is expected to last up to 12 months after the Effective Date (the "**Evaluation**"). While the parameters of the Evaluation have not yet been finalised, Parker expects that it will involve, among others, the following areas:

- engaging with Meggitt's customers, suppliers and other key stakeholders;
- identifying areas of duplication or overlap across the Combined Group (principally the central corporate and support functions) and other possible efficiencies where Parker may be able to streamline and implement "best-in-class" practices in the Combined Group, including relating to cost management, efficiency improvements, productivity enhancements, and operational and administrative restructuring;
- continuing the consolidation of the supply chain for the Meggitt business that Meggitt management has been recently pursuing, and considering any potential additional actions to support this; and
- identifying existing and new growth and development opportunities to drive additional profitable growth.

Parker is supportive of the Meggitt Footprint Optimisation (as defined below) and intends to work with Meggitt management to continue to implement it. Additionally, as part of the Evaluation, Parker intends to explore opportunities to enhance cost savings in these areas. This includes assessing Parker's legacy facilities and fixed assets to identify opportunities for these to be combined with Meggitt facilities.

Business locations and fixed assets

Parker recognises the important role that Meggitt plays in defining the UK defence and aerospace sector as world-leading and is committed to protecting Meggitt's rich UK heritage.

In recognition of the importance of supporting HM Government's levelling up agenda and to facilitate growth in its UK and European aerospace and defence businesses, Parker will maintain Meggitt's UK headquarters, together with its new operational centre of excellence at Ansty Park in Coventry, the West Midlands. Meggitt's operations at Ansty Park will continue to comprise a range of manufacturing, engineering and support functions. Meggitt's headquarter functions will also remain in Coventry (save

for any changes to headquarter functions due to the reduction of public listed company-related functions and overlaps, as described below). The Combined Group's headquarters will be located at Parker's head office in Cleveland, Ohio, USA.

Subject to the ongoing execution of the Meggitt Footprint Optimisation (as defined below), Parker does not envisage any other material change to Meggitt or Parker's other locations of business, or any need to redeploy any of the Meggitt Group or Parker Group's fixed assets, as a result of the Acquisition.

Brand

Parker values and recognises the importance of Meggitt's brand. After the Effective Date, each of Meggitt's existing four divisions (being Airframe Systems, Engine Systems, Energy & Equipment and Services & Support) will operate under the combined Parker-Meggitt names.

Research and development

An effective R&D function lies at the heart of the success of both Parker and Meggitt and is central to the growth potential for the Combined Group. Parker will remain committed to enhancing the UK's position in defence and aerospace through R&D investment following completion of the Acquisition.

Parker will continue to work collaboratively across industry and with universities (including in the UK), government authorities and other companies as part of its leading R&D programmes. As governments and businesses around the world combine to face the challenge posed by climate change, Parker is excited by the potential for the Combined Group's R&D function to accelerate the innovation of more-electric and low-carbon technologies.

Parker plans to continue to innovate and invest in R&D at Meggitt following the Acquisition. Parker will at least maintain Meggitt's existing level of expenditure with respect to R&D in the UK and, subject to normal levels of growth and activity occurring in the aerospace industry, intends to increase this by at least 20 per cent. over the next five years.

Parker recognises the important role that sustainability plays in R&D and innovation, both in Meggitt's long-term strategy and HM Government's ambitions to address environmental, societal and governance concerns worldwide.

Parker will therefore maintain Meggitt's target of investing at least two-thirds of its research and technology budget in projects relating to sustainable aviation and low-carbon energy. Furthermore, Parker fully supports and will adopt Meggitt's targets of reducing net carbon emissions by 50 per cent. by 2025 and achieving net zero greenhouse gas emissions by 2050 across the existing Meggitt business.

Management and employees

Parker welcomes the opportunity to combine the skills and experience of the employees of the Meggitt Group in the Combined Group, for the benefit of both companies around the world.

Based on Parker and Meggitt's strong cultural alignment, Parker sees the Acquisition as a significant opportunity to combine the talent, learnings and best practices of Meggitt and Parker, creating a stronger team and environment for the employees of the Combined Group. Furthermore, employees of Meggitt will benefit from new opportunities within the Combined Group.

As described above, Parker will undertake the Evaluation following completion of the Acquisition and whilst Parker is, as yet, unable to draw any conclusions as to its likely outcomes insofar as they may impact employees, a number of commitments can be made at this point.

Parker intends to safeguard the existing employment rights of the management and employees of the Combined Group in accordance with applicable law and does not envisage any material change in their conditions of employment.

Parker is particularly mindful of HM Government's initiatives that seek to provide alternative routes into employment through apprenticeships and retraining and encouraging further take-up of vocational careers. Parker greatly values Meggitt's commitments to these initiatives and to ensuring it attracts and develops the best talent in order to shape the future of the Meggitt business. As such:

- Parker will maintain Meggitt's existing R&D, product engineering and direct manufacturing labour headcount in the UK at no less than current levels (assuming no material change to current levels between the date of the 2.7 Announcement and the Effective Date and subject to normal productivity improvements and business conditions); and
- Parker will increase, by at least ten per cent., the number of overall apprenticeship opportunities currently offered by Meggitt in the UK.

Whilst protecting and increasing investment in these areas, Parker sees the benefit of reviewing the ways in which the operations of the Combined Group can be further improved, which may impact employment roles within the organisation. Preliminary evaluation to date of impact on employees suggests that:

- Parker anticipates overlap between the two businesses, particularly in central corporate and support functions and a reduced need for roles currently supporting Meggitt's status as a public listed company at Meggitt's UK headquarters; and
- the Acquisition may give rise to operational economies of scale and opportunities for commercial benefits, which will be assessed as part of the Evaluation and may result in headcount reductions or relocation of Meggitt employees.

In addition, Parker will continue to implement Meggitt's publicly announced global footprint consolidation strategy, reducing Meggitt's footprint by a total of 50 per cent. from its 2016 baseline by 2023. This will include site consolidations, closures and rationalisations (the "**Meggitt Footprint Optimisation**"), together with an assessment as to whether Parker's legacy facilities and fixed assets located in North America may form part of the optimisation of the Combined Group's footprint, which may result in headcount reductions or relocation of Combined Group employees.

These reductions will not include employees engaged in R&D, product engineers, direct manufacturing labour or apprentices in the UK.

The finalisation and implementation of any restructuring, integration and workforce reductions will be subject to detailed and comprehensive planning as part of the Evaluation, will be based on growth prospects (in particular the rate of recovery of the aerospace industry), productivity and other similar considerations, and will be subject to appropriate engagement and consultation with stakeholders, including affected employees and any appropriate employee representative bodies in accordance with the legal obligations of the Combined Group. It is expected that, where appropriate, Parker will seek to reallocate staff from discontinued roles to other roles within the Combined Group.

Parker would commence this engagement and consultation process long enough before any final decision is taken to implement any job reductions, so as to ensure compliance with relevant legal obligations.

Retention arrangements

For the purpose of protecting the business of Meggitt to be acquired through the Acquisition, Parker has agreed that Meggitt may implement certain employee retention arrangements for a number of key Meggitt employees whose retention is considered critical for the business.

As part of such arrangements, Parker has agreed that Antony Wood (CEO of Meggitt) and Louisa Burdett (CFO of Meggitt) will each be entitled to receive a cash payment equal to 50 per cent. of their respective annual base salaries (less any required deductions) which, in each case, will be payable, subject to and conditional upon: (i) completion of the Acquisition; (ii) de-listing of the Company; and (iii) the relevant Executive Director remaining in employment with a member of the Meggitt Group or the Parker Group and not having resigned prior to the payment date (the "**Executive Retention Arrangements**"). Subject to applicable leaver terms, such cash payments will be paid to the relevant Executive Director within 30 days after the Effective Date (or, if later, the day following the date on which Meggitt is de-listed from the London Stock Exchange). The total aggregate value of all Executive Retention Arrangements is £540,000.

In order to promote the retention of certain Meggitt employees (including the Meggitt Executive Directors), Parker has agreed that, conditional upon completion of the Acquisition, it will implement a new transitional cash plan and will grant cash awards (the "**Transition Awards**") under such plan to

Meggitt employees who: (i) are employed with the Meggitt Group on the Effective Date; and (ii) hold unvested awards granted in 2019, 2020 and/or 2021 under the Meggitt 2014 Long Term Incentive Plan (the “**LTIP Awards**”). Such Transition Awards will be payable by Parker, subject to applicable leaver terms, on or as soon as practical after: (a) in respect of LTIP Awards granted in 2019, the Effective Date; and (b) in respect of LTIP Awards granted in 2020 and/or 2021, the normal vesting date of such LTIP Awards, subject to continued employment. The value of each eligible participant’s Transition Award(s) will equal the aggregate of the value of the Meggitt Shares underlying any portion of their LTIP Award(s) that lapsed due to the application of time pro-rating and/or any assessment of the applicable performance conditions in accordance with the rules of the LTIP, based on the same consideration payable per Scheme Share as is payable under the Scheme.

As required by, and solely for the purposes of, Rule 16.2 of the Takeover Code, Rothschild & Co and Morgan Stanley have (in their capacity as independent advisers to Meggitt for the purposes of Rule 3 of the Takeover Code) reviewed the terms of the Executive Retention Arrangements and the Transition Awards together with other information deemed relevant and advised Meggitt that the Executive Retention Arrangements and the Transition Awards are fair and reasonable so far as Meggitt Shareholders are concerned. In providing their advice, Rothschild & Co and Morgan Stanley have taken into account the commercial assessments of the Meggitt Directors.

The existing non-executive directors of Meggitt will resign from office as directors of Meggitt with effect from the Effective Date.

Pensions

Parker recognises the importance of upholding Meggitt’s pension obligations and ensuring that its pension schemes are appropriately funded in accordance with statutory and trust deed requirements.

Meggitt operates a defined benefit pension scheme in the UK, the Meggitt Pension Plan (the “**UK DB Pension Plan**”). The UK DB Pension Plan is closed to new members and to future accrual. It is not intended that any changes shall be made to reopen this scheme to the admission of new members or to the future accrual of benefits.

Parker has held constructive discussions with the trustee of the UK DB Pension Plan (the “**Trustee**”) and Parker, the Trustee and Meggitt have entered into a legally binding memorandum of understanding dated 2 August 2021 (the “**Memorandum of Understanding**”) setting out the parties’ agreement with respect to the future funding of the UK DB Pension Plan. The key terms of the Memorandum of Understanding include:

- an open-ended uncapped parent company guarantee from Parker from completion of the Acquisition in respect of all present and future employer obligations and liabilities in respect of the UK DB Pension Plan;
- a lump sum cash payment of £25 million to be paid to the UK DB Pension Plan within one month of completion of the Acquisition;
- the payment of employer contributions to the UK DB Pension Plan from completion of the Acquisition at a flat rate of £35 million per annum until the statutory funding deficit under the UK DB Pension Plan’s valuation as at 5 April 2021 is eliminated or the actuarial valuation of the UK DB Pension Plan as at 5 April 2024 is completed; and
- a commitment from Parker to agree appropriate information sharing provisions with the Trustee for the benefit of the UK DB Pension Plan following the date of the 2.7 Announcement.

The Trustee has confirmed in the Memorandum of Understanding that, based on the information available to the Trustee as at the date of the Memorandum of Understanding and taking into account the undertakings provided by Parker under the Memorandum of Understanding, the Trustee has no reason to believe that the Acquisition would be materially detrimental to the ability of the UK DB Pension Plan to meet its liabilities or to the likelihood of the accrued UK DB Pension Plan benefits being received.

Meggitt also operates defined contribution pension arrangements in the UK and both defined benefit and defined contribution pension schemes in other jurisdictions (together, the “**Other Pension Schemes**”). Parker does not intend to make any changes to the Other Pension Schemes (including with

regard to the accrual of benefits for existing members, the admission of new members and current arrangements for the funding of any scheme deficit) and confirms its intention for employer contributions to the Other Pension Schemes to continue in line with current arrangements.

Cancellation of listing

Meggitt is currently listed on the Official List and admitted to trading on the London Stock Exchange. A request will be made to the London Stock Exchange and the FCA to cancel trading in Meggitt Shares and to de-list Meggitt from the Official List, to take effect on or shortly after the Effective Date, following which Meggitt would be re-registered as a private limited company.

Post offer undertakings

No statement in this paragraph 8 constitutes or is intended to become a post offer undertaking under Rule 19.5 of the Takeover Code.

9. Meggitt Share Plans

Details of the arrangements proposed to be implemented in relation to the Meggitt Share Plans in connection with the Acquisition are set out in paragraph 8 of Part II (*Explanatory Statement*) of this Document.

10. Meggitt current trading and Meggitt Profit Forecast

Meggitt current trading

For the financial year ended 31 December 2020, Meggitt reported revenue of £1,684 million and underlying operating profit of £191 million, with consolidated net assets and consolidated equity of £2,033 million.

On 2 August 2021, Meggitt announced its interim results for the six-month period ended 30 June 2021 (the “**2021 Meggitt Interim Results**”).

For the half year ending 30 June 2021, Meggitt reported a sequential quarterly improvement in civil aerospace performance with civil aerospace aftermarket organic orders and revenue up 40 per cent. and 31 per cent. respectively in the second quarter compared with the first quarter of 2021. The performance of the Meggitt Group in the period reflects the impact of COVID-19 on civil aerospace, with Meggitt Group revenue of £680 million (H1 2020: £917 million) down 16 per cent. on an organic basis and underlying operating profit of £62 million (H1 2020: £102 million).

At a statutory operating profit level, the Meggitt Group returned to profit of £49 million compared with a loss of £349 million in the first half of 2020.

Meggitt also delivered a strong cash performance with free cash outflow ahead of expectations at £35 million (H1 2020: outflow of £122 million), net debt of £823 million (31 December 2020: £773 million) and ratios of net debt:EBITDA and interest cover of 2.4x and 9.7x respectively (on a covenant basis), well within covenant limits. Meggitt reported that its liquidity remains strong with headroom of £858 million on committed facilities of £1,516 million.

Consolidated net assets and consolidated equity were £2,068 million as at 30 June 2021.

Current trading for Meggitt continues in line with statements made by Meggitt in the 2021 Meggitt Interim Results.

Financial information relating to Meggitt is set out in Part V (*Financial and Ratings Information*) of this Document.

Meggitt Profit Forecast

The Meggitt Profit Forecast, the assumptions and basis of preparation on which the Meggitt Profit Forecast is based and the Meggitt Directors' confirmation, as required by Rule 28.1 of the Takeover Code, are set out in Part VIII (*Meggitt Profit Forecast*) of this Document.

11. Action to be taken by Meggitt Shareholders

Details of the approvals being sought at the Court Meeting and the General Meeting and the action to be taken by Scheme Shareholders and Meggitt Shareholders in respect of the Acquisition and the Scheme are set out in paragraph 18 of Part II (*Explanatory Statement*) of this Document.

Details relating to the cancellation of listing of the Meggitt Shares and settlement of the cash consideration offered by Parker are included in paragraphs 13 and 14 of Part II (*Explanatory Statement*) of this Document.

12. Overseas Shareholders

Overseas Shareholders should refer to Part VII (*Additional Information for Overseas Shareholders*) of this Document, which contains important information relevant to such holders.

13. United Kingdom taxation

Your attention is drawn to Part VI (*United Kingdom Taxation*) and Part VII (*Additional Information for Overseas Shareholders*) of this Document, which contain a summary of limited aspects of the UK tax treatment of the Scheme. These summaries relate only to the position of certain categories of Meggitt Shareholders (as explained further in Part VI (*United Kingdom Taxation*) and Part VII (*Additional Information for Overseas Shareholders*) of this Document), do not constitute tax advice and do not purport to be a complete analysis of all potential UK tax consequences of the Scheme.

You are strongly advised to contact an appropriate independent professional adviser immediately to discuss the tax consequences of the Scheme on your particular circumstances, in particular if you are in any doubt about your own taxation position or you are subject to taxation in a jurisdiction other than the United Kingdom.

14. Recommendation

The Meggitt Directors, who have been so advised by Rothschild & Co and Morgan Stanley as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the Meggitt Directors, Rothschild & Co and Morgan Stanley have taken into account the commercial assessments of the Meggitt Directors. Rothschild & Co and Morgan Stanley are providing independent financial advice to the Meggitt Directors for the purposes of Rule 3 of the Takeover Code.

In addition to the financial terms of the Acquisition, the Meggitt Directors have carefully considered Parker's plans for the Meggitt business under Parker's ownership, including the complementary cultures of Parker and Meggitt, the alignment of both Groups' long-term strategies and the commitments Parker has agreed with Meggitt to offer to HM Government to safeguard the interests of Meggitt's key stakeholders.

The Meggitt Directors consider that the terms of the Acquisition are in the best interests of Meggitt Shareholders as a whole. Accordingly, the Meggitt Directors unanimously recommend that Meggitt Shareholders vote or procure votes in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting as the Meggitt Directors have irrevocably undertaken to do in respect of those Meggitt Shares they hold and in respect of which they control the voting rights (representing, in aggregate, approximately 0.05 per cent. of the issued ordinary share capital of Meggitt as at the Latest Practicable Date.

15. Further information

Your attention is drawn to further information contained in Part II (*Explanatory Statement*), Part III (*Conditions to the implementation of the Scheme and to the Acquisition*), Part IV (*The Scheme of Arrangement*) and Part IX (*Additional Information on Meggitt and Parker*) of this Document which provides further details concerning the Scheme.

You are advised to read the whole of this Document and the accompanying Forms of Proxy and not just rely on the summary information contained in this letter or the Explanatory Statement.

Yours faithfully,

Sir Nigel Rudd DL
Non-Executive Chairman
Meggitt PLC

PART II

EXPLANATORY STATEMENT

(in compliance with section 897 of the Companies Act)

New Court
St Swithin's Lane
London
EC4N 8AL



25 Cabot Square
Canary Wharf
London
E14 4QA

Morgan Stanley

16 August 2021

To the holders of Meggitt Shares and, for information only, to holders of awards and options under the Meggitt Share Plans and persons with information rights

Dear Shareholder,

RECOMMENDED CASH ACQUISITION OF MEGGITT PLC BY PARKER-HANNIFIN CORPORATION

1. Introduction

On 2 August 2021, the boards of Meggitt and Parker announced that they had agreed the terms of a recommended cash acquisition pursuant to which Parker will acquire the entire issued and to be issued ordinary share capital of Meggitt. The Acquisition is to be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

The Scheme requires, among other things, the approval of Scheme Shareholders at the Court Meeting and Meggitt Shareholders at the General Meeting as well as the sanction of the Court.

Your attention is drawn to the letter set out in Part I (*Letter from the Chairman of Meggitt*) of this Document, which forms part of this Explanatory Statement. The letter contains, among other things, (i) the unanimous recommendation by the Meggitt Directors to, in the case of the Court Meeting, Scheme Shareholders and, in the case of the General Meeting, Meggitt Shareholders, to vote and to procure votes in favour of the resolutions to be proposed at the Court Meeting and the General Meeting, and (ii) information on the background to, and reasons for recommending, the Acquisition.

The Meggitt Directors have been advised by Rothschild & Co and Morgan Stanley in connection with the financial terms of the Acquisition. We have been authorised by the Meggitt Directors to write to you to explain the terms of the Acquisition and to provide you with other relevant information.

The terms of the Scheme are set out in full in Part IV (*The Scheme of Arrangement*) of this Document. For overseas holders of Meggitt Shares, your attention is drawn to Part VII (*Additional Information for Overseas Shareholders*), which forms part of this Explanatory Statement.

Statements made or referred to in this letter regarding Parker's reasons for the Acquisition, information concerning the business of Parker, the financial effects of the Acquisition on Parker and/or intentions or expectations of or concerning Parker reflect the views of the Parker Board.

Statements made or referred to in this letter regarding the background to and reasons for the recommendation of the Meggitt Directors, information concerning the business of the Meggitt Group and/or intentions or expectations of or concerning the Meggitt Group prior to completion of the Acquisition, reflect the views of the Meggitt Board.

2. Summary of the terms of the Acquisition and the Scheme

Under the terms of the Acquisition, which is subject to the Conditions and further terms set out in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document, Scheme Shareholders at the Scheme Record Time will be entitled to receive:

for each Scheme Share: 800 pence in cash

The Acquisition values the entire issued and to be issued ordinary share capital of Meggitt at approximately £6.3 billion on a fully diluted basis. The price of 800 pence in cash for each Scheme Share represents:

- a premium of approximately 70.5 per cent. to the Closing Price of 469.1 pence per Meggitt Share on 30 July 2021 (being the last Business Day prior to the commencement of the Offer Period); and
- a premium of approximately 73.8 per cent. to the volume-weighted average Closing Price of 460.2 pence per Meggitt Share for the six-month period ended 30 July 2021 (being the last Business Day prior to the commencement of the Offer Period).

Parker will have the right to reduce the aggregate consideration payable under the terms of the Acquisition by an amount up to the aggregate amount of any dividend, distribution and/or other return of capital or value, which is or has been declared, made or paid or becomes payable in respect of the Meggitt Shares on or after the date of the 2.7 Announcement and before the Effective Date. In such circumstances, Meggitt Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital or value. For further details, please refer to paragraph 2 of Part D (*Certain further terms of the Acquisition*) of Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*).

3. Background to and reasons for the recommendation

Information relating to the background to and reasons for the Meggitt Directors' recommendation of the Acquisition is set out in paragraph 3 of Part I (*Letter from the Chairman of Meggitt*) of this Document.

Parker has received irrevocable undertakings from the Meggitt Directors to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting (and, if the Acquisition is subsequently structured as a Takeover Offer, to accept any Takeover Offer made by Parker in accordance with the terms of the irrevocable undertakings) in respect of those Meggitt Shares that they hold and in respect of which they control the voting rights, amounting to, in aggregate, 409,790 Meggitt Shares, representing approximately 0.05 per cent. of the issued ordinary share capital as at the Latest Practicable Date.

Further details of these irrevocable undertakings, including the circumstances in which they cease to be binding, are set out in paragraph 6 of Part IX (*Additional Information on Meggitt and Parker*) of this Document. Copies of the irrevocable undertakings are available on Meggitt's website at www.meggittoffer.com and will remain on display until the end of the Offer Period.

4. Information relating to Meggitt

Headquartered in the United Kingdom, Meggitt is an international group and a world leader in the aerospace, defence and energy markets, employing more than 9,000 people at over 40 manufacturing facilities and regional offices worldwide.

Working closely with its customers, Meggitt delivers technologically differentiated systems and products for the most demanding environments with high certification requirements for applications across its core end markets. Through focusing on engineering and operational excellence, Meggitt builds broad installed bases of equipment and provides through-life services and support across a fleet of approximately 73,000 aircraft. As well as ensuring that its products and technologies satisfy the highest requirements for product safety, performance and reliability, Meggitt continues to prioritise investment in sustainable technology solutions for its customers.

Meggitt's defence business accounts for 46 per cent. of Meggitt Group revenue with over 70 per cent. of revenue derived from its core US market. With its equipment on an installed base of around 22,000 fixed wing and rotary defence aircraft and a significant number of ground vehicles, Meggitt is well placed, having secured strong positions on some of the newest and hardest worked platforms.

In energy and other markets, which represents 11 per cent. of Meggitt Group revenue, Meggitt's leading technologies and aerospace derived innovation serve a number of core end markets, primarily onshore and offshore gas and LNG and power generation applications. While Meggitt already has significant

exposure to lower carbon applications, primarily in gas and LNG, it continues to build a strong pipeline of new opportunities in these areas as well as renewables.

Meggitt operates across four vertically integrated, customer-aligned divisions:

- *Airframe Systems* – Meggitt specialises in braking systems for commercial, business and defence aircraft, fire protection and safety systems, power and motion, fuel systems, avionics and sensors, and advanced polymer seals for around 51,000 in-service civil and 22,000 defence aircraft.
- *Engine Systems* – Meggitt specialises in advanced engine composites, thermal and safety systems with a broad range of technologies including vibration monitoring and engine health management systems. This division also provides aerospace engine flow control and sensing solutions.
- *Energy & Equipment* – Meggitt specialises in energy and defence equipment ranging from electronics cooling to ammunition handling systems and heat transfer equipment for off-shore oil and gas facilities and renewable energy applications.
- *Services & Support* – Meggitt provides a full-service aftermarket offering including spares distribution and maintenance, repair and overhaul (MRO) to its commercial, business jet and defence customers throughout the lifecycle of our products.

Meggitt's primary operating locations are in the US and the UK, with a broad footprint in other locations across the world. Meggitt is headquartered in the United Kingdom and listed on the London Stock Exchange.

For the financial year ended 31 December 2020, Meggitt's revenue was £1,684m.

For the six-month period ended 30 June 2021, Meggitt's organic revenue was £680 million and underlying operating profit was £62 million.

Financial information relating to Meggitt is set out in Part V (*Financial and Ratings Information*) of this Document.

5. Information relating to Parker

Parker is a leading worldwide diversified manufacturer of motion and control technologies and systems, providing precision engineered solutions for a wide variety of mobile, industrial and aerospace markets. Parker was founded in Cleveland, Ohio, USA, in 1917 and incorporated in Ohio, USA, in 1938.

Parker currently has over 50,000 team members globally, and manufacturing, service, sales, distribution and administrative facilities in 49 countries. Parker supplies its products to approximately 464,000 customers in virtually every significant manufacturing, transportation and processing industry.

In its most recently completed and reported fiscal year, which ended 30 June 2020, Parker reported net sales of US\$13.70 billion and net income of US\$1.21 billion.

Parker has a long and successful history in the UK, having operated in the UK for over 50 years, and currently employs more than 2,100 team members in 18 facilities across the country. Parker is a highly experienced acquirer with prior experience of successfully integrating UK companies in the industrial sector (including a publicly listed company) into its business. These continue to thrive within the Parker Group. Parker believes strongly in the importance of cultural fit and leadership, as well as employee engagement, in creating and nurturing successful organisations. These priorities are thus prominently reflected in The Win Strategy™ and practised and reinforced throughout the Parker organisation.

6. Financial effects of the Acquisition on Parker

Following the Scheme becoming Effective, the earnings, assets and liabilities of the Meggitt Group would be consolidated into the earnings, assets and liabilities of the Parker Group. The earnings, assets and liabilities of the Parker Group would thereby be increased. In addition, the liabilities of the Parker Group would also be increased to reflect the debt incurred in order to fund the Acquisition.

7. Financing of the Acquisition

The cash consideration payable by Parker under the terms of the Acquisition, together with certain fees and expenses in connection with the Acquisition, is expected to be funded by a combination of cash resources, borrowing under debt facilities to be entered into or otherwise available to Parker and net proceeds of debt securities to be issued by Parker. Nothing in this Document shall constitute the offer for sale of any securities. In support of its obligations to pay the cash consideration and such fees and expenses, Parker has entered into a fully committed term loan bridge facility obtained from Citibank, N.A. (the "**Bridge Facility**"), with Citibank, N.A. acting as sole lead arranger, sole bookrunner, sole administrative agent and, together with Citicorp North American, Inc., as lender.

In due course, and in place of drawing under the Bridge Facility, Parker intends to obtain and enter into: (i) a new US\$2,000,000,000 senior unsecured term loan facility, which will be used to reduce (and partially replace) the Bridge Facility; and (ii) an amendment to its existing revolving credit agreement to increase the commitments thereunder and to make certain other changes to the terms thereof in connection with the Acquisition.

Citi, as financial adviser to Parker, is satisfied that sufficient resources are available to Parker to satisfy in full the consideration payable to Scheme Shareholders under the terms of the Acquisition. Further information on the financing of the Acquisition is included at paragraph 12 of Part IX (*Additional Information on Meggitt and Parker*) of this Document.

8. Meggitt Share Plans and other incentive arrangements

The Meggitt Group operates the Meggitt Share Plans to reward and retain its employees.

Participants in the Meggitt Share Plans will be contacted separately regarding the effect of the Scheme on their rights under the Meggitt Share Plans and with the details of the arrangements applicable to them. A summary of the effect of the Scheme on outstanding options and awards is set out below. In the event of any conflict between the summary set out below and the rules of the relevant Meggitt Share Plan, the Meggitt Directors' remuneration policy (where applicable) and/or the communications to participants in the Meggitt Share Plans regarding the effect of the Scheme on their rights under the Meggitt Share Plans and the details of the arrangements applicable to them (the "**Share Plan Notices**"), the rules of the relevant Meggitt Share Plan, the Meggitt Directors' remuneration policy (where applicable) or the terms of the relevant Share Plan Notices (as the case may be) will prevail.

The Scheme will apply to any Meggitt Shares which are unconditionally allotted, issued or transferred to satisfy the vesting of awards or exercise of options under the Meggitt Share Plans before the Scheme Record Time. Any Meggitt Shares allotted, issued or transferred out of treasury to satisfy the vesting of awards or exercise of options under the Meggitt Share Plans after the Scheme Record Time will, subject to the Scheme becoming Effective and the proposed amendments to the Articles of Association being approved at the General Meeting, be transferred to Parker in exchange for the same consideration as Scheme Shareholders will be entitled to receive under the Scheme.

Further information in respect of the proposed amendments to the Articles of Association is contained in the Notice of General Meeting at Part XII (*Notice of General Meeting*) of this Document.

LTIP

Awards and options granted under the LTIP which would not otherwise vest prior to the Court Sanction Date will (in consequence of the Acquisition and in accordance with participants' contractual rights under the LTIP) vest early. The Meggitt Remuneration Committee will, at its sole discretion, determine the extent to which any LTIP awards and options vest, taking into account the extent to which any performance targets have been satisfied. The Meggitt Remuneration Committee may also determine that the awards and options will not be subject to any time pro-rating reduction. The formal discretion as to whether or not to apply time pro-rating will be exercised on or shortly before the Court Sanction Date, along with the assessment of the extent to which performance targets have been achieved.

SIRP

Awards granted under the SIRP which would not otherwise vest prior to the Court Sanction Date will (in consequence of the Acquisition and in accordance with participants' contractual rights under the SIRP) vest in full.

SIP

Under the SIP (which is an HMRC tax-qualified plan designed for all UK-based employees), employees can acquire Meggitt Shares in the following forms: (i) Meggitt Shares which a participant has purchased using a proportion of their pre-tax salary ("**partnership shares**"), and (ii) Meggitt Shares which have been awarded to a participant under the SIP for free ("**free shares**"). These shares are required to be held in a special trust on an employee's behalf for a minimum of three (and up to five) years and subject to the employee's continued employment in order to benefit from favourable UK tax treatment.

All Meggitt Shares held under the SIP will be Scheme Shares and will be subject to the terms of the Scheme in the same way as the Meggitt Shares held by Scheme Shareholders. Participants in the SIP will be entitled to 800 pence in cash for every Meggitt Share awarded under the SIP which they continue to hold as at the Scheme Record Time.

Sharesave

Options granted under the Sharesave (which is an HMRC tax-qualified plan designed for all UK-based employees) which would not otherwise become exercisable prior to the Court Sanction Date will (in consequence of the Acquisition and in accordance with participants' contractual rights under the Sharesave) become exercisable for a period of six months following the Court Sanction Date.

Parker will make or procure a one-off cash compensation payment (the "**Compensation Payment**") to those participants in the Sharesave who exercise their options conditional on the Effective Date or earlier in consequence of the Acquisition. The Compensation Payment will be of an amount equal to the additional profit which the participants would have received if they had continued making their monthly savings contributions after the Court Sanction Date and exercised their options at the end of the earlier of: (i) six months following the Court Sanction Date; and (ii) the maturity of the relevant savings contract, and had those Meggitt Shares been acquired on the terms of the Scheme, provided that no such Compensation Payment will be made in respect of options granted under the Sharesave after the date of the Cooperation Agreement.

Any such Compensation Payment made or procured by Parker will be subject to deductions for income tax and employee social security contributions, whereas options exercised under the Sharesave would not be subject to such tax and employee social security contributions. The Compensation Payment will therefore be of such amount as would provide participants with an after-tax amount equal to the amount of gain that such participants would have received had they continued making their monthly savings contributions after the Court Sanction Date and been able to exercise their options at the end of the earlier of: (i) six months following the Court Sanction Date; and (ii) the maturity of the relevant savings contract, and, in each case, had the Meggitt Shares acquired on exercise then been acquired by Parker under the terms of the Scheme.

EPP

Options granted under the EPP are already exercisable and will continue to be exercisable after the Meggitt Remuneration Committee notifies participants of the occurrence of the Court Sanction Date in accordance with participants' contractual rights under the EPP, unless they lapse earlier under the EPP.

ESOS

Options granted under the ESOS are already exercisable and will continue to be exercisable after the Court Sanction Date in accordance with participants' contractual rights under the ESOS, unless they lapse earlier under the ESOS.

9. The Meggitt Directors and the effect of the Scheme on their interests

Details of the interests of the Meggitt Directors in the issued ordinary share capital of Meggitt and their awards in respect of such share capital, are set out in Part IX (*Additional Information on Meggitt and Parker*) of this Document. Scheme Shares held by the Meggitt Directors at the Scheme Record Time will be subject to the Scheme.

The Meggitt Directors have irrevocably undertaken to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting (and, if the Acquisition is subsequently structured as a Takeover Offer, to accept any Takeover Offer made by Parker in accordance with the terms of the irrevocable undertakings) in respect of those Meggitt Shares that they hold and in respect of which they control the voting rights. These irrevocable undertakings also extend to any shares acquired by the Meggitt Directors as a result of the vesting of awards or the exercise of options under the Meggitt Share Plans. Further details of these irrevocable undertakings, including the circumstances in which they cease to be binding, are set out in paragraph 6 of Part IX (*Additional Information on Meggitt and Parker*) of this Document.

Particulars of the service agreements (including termination provisions) and letters of appointment of the Meggitt Directors are set out in paragraph 7 of Part IX (*Additional Information on Meggitt and Parker*) of this Document. Details of certain retention arrangements, including in relation to certain Meggitt Executive Directors, are set out in paragraph 8 of Part I (*Letter from the Chairman of Meggitt*) of this Document.

Following completion of the Acquisition, the proposed delisting of Meggitt Shares and re-registration of Meggitt as a private limited company, a number of corporate headquarters and support functions, including certain functions relating to Meggitt's status as a public listed company, might no longer be needed. Further, it is intended that, upon completion of the Acquisition, each of the Meggitt Non-Executive Directors will resign from their office as a director of Meggitt.

In common with the other participants in the Meggitt Share Plans, the Meggitt Directors who hold Awards will be able to receive Meggitt Shares under such Awards, to the extent that such Awards vest.

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

10. Description of the Scheme and the Meetings

The Scheme

The Acquisition is to be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act between Meggitt and the Scheme Shareholders who are on the register of members of Meggitt at the Scheme Record Time. This procedure requires approval by Scheme Shareholders at the Court Meeting and Meggitt Shareholders at the General Meeting, and sanction of the Scheme by the Court. The Scheme is set out in full in Part IV (*The Scheme of Arrangement*) of this Document.

The purpose of the Scheme is to provide for Parker to become the holder of the entire issued and to be issued share capital of Meggitt. This is to be achieved by transferring the Scheme Shares held by Scheme Shareholders as at the Scheme Record Time to Parker, in consideration for which Parker will pay cash on the basis set out in this Part II (*Explanatory Statement*). Any Meggitt Shares held by or on behalf of the Parker Group are excluded from the Scheme.

Meggitt Meetings

The Scheme will require the approval of Scheme Shareholders at the Court Meeting and Meggitt Shareholders at the separate General Meeting, both of which will be held on 21 September 2021 at Pilot Way, Ansty Business Park, Coventry, CV7 9JU, United Kingdom. The Court Meeting is being held with the permission of the Court to seek the approval of Scheme Shareholders for the Scheme. The General Meeting is being convened to seek the approval of Meggitt Shareholders to enable the Meggitt Directors to implement the Scheme and to amend the Articles of Association as described below.

Notices of both the Court Meeting and the General Meeting are set out in Part XI (*Notice of Court Meeting*) and Part XII (*Notice of General Meeting*) respectively of this Document. Entitlement to attend and vote at these Meetings and the number of votes which may be cast thereat will be determined by reference to the register of members of Meggitt at the Voting Record Time.

All references in this Document to "attend" and "vote" or "attending" and "voting" in the context of the Meetings include remote attendance via the Virtual Meeting Platform and voting by proxy or remotely via the Virtual Meeting Platform respectively.

Whilst COVID-19 restrictions have been lifted as at the date of publication of this notice, the Meggitt Directors note that the COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures which affect the holding of shareholder meetings. As such, whilst shareholders will be permitted to attend the Court Meeting and General Meeting in person if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), Meggitt Shareholders and Scheme Shareholders are strongly encouraged to appoint “the Chair of the meeting” as their proxy for the General Meeting and the Court Meeting, respectively. If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the Meetings, that proxy may not be permitted to attend the relevant Meeting in person (but will be able to remotely attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the relevant Meeting via the Virtual Meeting Platform, further details of which are set out in the opening pages of this Document and in the Virtual Meeting Guide). Scheme Shareholders and Meggitt Shareholders are also reminded that they can remotely attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the Court Meeting or the General Meeting via the Virtual Meeting Platform.

Remote access to the Meetings via the website will be available from 9:30 a.m. on 21 September 2021. However, voting functionality will not be enabled until the Chair of the relevant Meeting declares the poll open. Scheme Shareholders and Meggitt Shareholders will be permitted to ask questions during the course of the relevant Meeting. Scheme Shareholders can use the same function to raise any objections they may have to the Scheme at the Court Meeting. Meggitt Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing shareholders@meggitt.com. The Chair of the relevant Meeting will ensure that all such questions and/or any objections (in the case of the Court Meeting) relating to the formal business of the Meeting are addressed during the Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair’s discretion, otherwise be undesirable in the interests of the Company or the good order of the relevant Meeting.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders holding Scheme Shares at the Scheme Record Time, irrespective of whether or not they attended or voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on the Special Resolution at the General Meeting.

Any Meggitt Shares which Parker may acquire prior to the Court Meeting or the General Meeting (and any Meggitt Shares which any member of the Parker Group (or its nominees) holds at the date of the Court Meeting or General Meeting) are not Scheme Shares and therefore no member of the Parker Group (or its nominees) is entitled to vote at the Court Meeting in respect of the Meggitt Shares held or acquired by it. Each such member of the Wider Parker Group will undertake to be bound by the Scheme.

Court Meeting

The Court Meeting has been convened with the permission of the Court for 10:00 a.m. on 21 September 2021 for Scheme Shareholders on the register of members of Meggitt as at the Voting Record Time to consider and, if thought fit, approve the Scheme.

At the Court Meeting, voting will be by poll and each Scheme Shareholder present in person, remotely (via the Virtual Meeting Platform) or by proxy will be entitled to one vote for each Scheme Share held as at the Voting Record Time. The approval required at the Court Meeting is a simple majority in number of those Scheme Shareholders present and voting (and entitled to vote) in person, remotely (via the Virtual Meeting Platform) or by proxy, representing 75 per cent. or more in value of the Scheme Shares voted by such Scheme Shareholders.

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 opinion of Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings, you are therefore strongly advised to sign and return your Forms of Proxy by post or email or to transmit a proxy appointment and voting instruction (electronically, online or through CREST) for the Court Meeting as soon as possible. The completion and return of the Forms of Proxy by post or email (or transmission of a proxy appointment or voting instruction electronically, online, through CREST or by any other

procedure described in this Document) will not prevent you from attending and voting at the Court Meeting or the General Meeting or any adjournment thereof in person (including via the Virtual Meeting Platform) if you are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force).

If the BLUE Form of Proxy for the Court Meeting is not lodged by 10:00 a.m. on 17 September 2021, it may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting. Please note that any Forms of Proxy sent to this email address before 10:00 a.m. on 17 September 2021 may be discounted as invalid. In the case of the General Meeting, if the WHITE Form of Proxy for the General Meeting is not lodged by 10:15 a.m. on 17 September 2021 using one of the methods listed above, it will be invalid.

General Meeting

In addition, the General Meeting has been convened for the same date (to be held immediately after the Court Meeting) to consider and, if thought fit, pass the Special Resolution to:

- (A) authorise the Meggitt Directors to take all such actions as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (B) amend the Articles of Association in the manner described below.

Voting at the General Meeting will be by poll and each Meggitt Shareholder present in person, remotely (via the Virtual Meeting Platform) or by proxy will be entitled to one vote for each Meggitt Share held as at the Voting Record Time. The approval required for the Special Resolution to be passed is at least 75 per cent. of the votes cast on such resolution (in person, or by proxy).

Meggitt will announce the details of the votes at each Meeting as required under the Takeover Code through a Regulatory Information Service as soon as practicable after the conclusion of the Meetings and, in any event, by no later than 8:00 a.m. on the Business Day following the Meetings.

Scheme Court Hearing

Under the Companies Act, the Scheme requires the sanction of the Court. The hearing by the Court to sanction the Scheme is currently expected to be held following the Meetings during Q3 of 2022 on a date which is no more than 21 days after the satisfaction (or, if applicable, waiver) of the Conditions other than Condition 2(C) set out in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document and, in any event, prior to the Long Stop Date.

The Scheme shall lapse if:

- (A) the Court Meeting and the General Meeting are not held by 13 October 2021 (or such later date as may be agreed between Parker and Meggitt);
- (B) the Scheme Court Hearing is not held by the 22nd day after the expected date of such hearing, which is expected to be following the Meetings and no later than 21 days after the satisfaction (or, if applicable, waiver) of the Conditions other than Condition 2(C) set out in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document (or such later date as may be agreed between Parker and Meggitt); or
- (C) the Scheme does not become Effective by the Long Stop Date,

provided however that the deadlines for the timing of the Court Meeting, the General Meeting and the Scheme Court Hearing as set out above may be waived by Parker, and the deadline for the Scheme to become Effective may be extended by agreement between Parker and Meggitt (with the Panel's consent and as the Court may approve (if such approval(s) is/are required)).

Owing to the uncertainty around COVID-19 (and other relevant guidance) in place at this time, it is not known whether attendance at the Scheme Court Hearing will be in person or by electronic means only. Once details of the Scheme Court Hearing are confirmed, these will be communicated to Scheme Shareholders, including through Meggitt's website, www.meggittoffer.com and by announcement through a Regulatory Information Service.

Following sanction of the Scheme by the Court, the Scheme will become Effective in accordance with its terms upon a copy of the Court Order being delivered to the Registrar of Companies. This is presently expected to occur two Business Days after the date of the Scheme Court Hearing, subject to satisfaction (or, where applicable, waiver) of the Conditions.

Meggitt and/or Parker will make an announcement through a Regulatory Information Service as soon as practicable following the Scheme becoming Effective.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders holding Scheme Shares at the Scheme Record Time, irrespective of whether or not they attended or voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on the Special Resolution at the General Meeting.

If the Scheme does not become Effective by the Long Stop Date or such later date, if any, as may be agreed in writing by Parker and Meggitt (with the Panel's consent and as the Court may approve (if such approval(s) is/are required)), the Scheme will never become Effective.

Amendments to the Articles of Association

It is proposed, in the Special Resolution, to amend Meggitt's Articles of Association to ensure that any Meggitt Shares issued or transferred out of treasury under the Meggitt Share Plans or otherwise between the time at which the Special Resolution is passed and the Scheme Record Time will be subject to the Scheme. It is also proposed to amend Meggitt's Articles of Association so that any Meggitt Shares issued or transferred out of treasury to any person other than Parker or its nominee(s) at or after the Scheme Record Time will be automatically acquired by Parker on the same terms as under the Scheme (other than terms as to timing and formalities). This will avoid any person (other than Parker or its nominee(s)) holding Meggitt Shares after the Scheme becomes Effective.

The Special Resolution is set out in the notice of General Meeting in Part XII (*Notice of General Meeting*) of this Document and seeks the approval of Meggitt Shareholders for such amendments.

Entitlement to vote at the Meetings

Each Meggitt Shareholder who is entered in Meggitt's register of members at the Voting Record Time (expected to be 6:30 p.m. on 17 September 2021) will be entitled to attend and vote (in person, remotely (via the Virtual Meeting Platform) or by proxy) on all resolutions to be put to the General Meeting and Court Meeting respectively. If either Meeting is adjourned, only those Meggitt Shareholders on the register of members at 6:30 p.m. on the day which is two Business Days before the adjourned Meeting will be entitled to attend (in person, remotely (via the Virtual Meeting Platform) or by proxy). Each eligible Meggitt Shareholder is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him or her. A proxy need not be a Meggitt Shareholder.

The completion and return of the Forms of Proxy by post or email (or transmission of a proxy appointment or voting instruction electronically, online, through CREST or by any other procedure described in this Document) will not prevent you from attending and voting (in person or remotely (via the Virtual Meeting Platform)) at the Court Meeting or the General Meeting if you are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force).

If you are in any doubt as to whether or not you are permitted to vote at the Meetings (in person, remotely or by proxy), please call Computershare between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays) on +44 (0)370 703 6210. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Further information on the actions to be taken is set out in paragraph 18 of this Part II (*Explanatory Statement*).

Modifications to the Scheme

The Scheme contains a provision for Meggitt and Parker jointly to consent (on behalf of all persons concerned) to any modification of, or addition to, the Scheme or to any condition which the Court may approve or impose. The Court would be unlikely to approve or impose any modification of, or addition

or condition to, the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in those circumstances for the purpose of approving any such modification, addition or condition.

11. Conditions to the Acquisition

The Acquisition and, accordingly, the Scheme is subject to a number of conditions set out in full in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document, including:

- (A) approval of the resolution to approve the Scheme proposed at the Court Meeting by a majority in number of the Scheme Shareholders present and voting (and entitled to vote), in person, remotely or by proxy, representing 75 per cent. or more in value of the Scheme Shares held by those Scheme Shareholders (or the relevant class thereof);
- (B) approval of the Special Resolution necessary to implement the Scheme proposed at the General Meeting by Meggitt Shareholders representing at least 75 per cent. of the votes cast at the General Meeting (in person, remotely or by proxy);
- (C) certain antitrust and foreign investment approvals and clearances having been obtained as detailed in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document;
- (D) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms agreed by Meggitt and Parker); and
- (E) the delivery of a copy of the Court Order to the Registrar of Companies.

Parker will make further announcements, as appropriate, in respect of the antitrust and foreign investment approvals upon which the Acquisition is conditional.

The Scheme will require approval by Scheme Shareholders at the Court Meeting and Meggitt Shareholders at the General Meeting and the sanction of the Court at the Scheme Court Hearing. The Meetings and the nature of the approvals required to be given at them are described in more detail in paragraph 10 of this Part II (*Explanatory Statement*). All Meggitt Shareholders are entitled to attend the Scheme Court Hearing in person or through representation to support or oppose the sanctioning of the Scheme.

The Scheme can become Effective only if all Conditions to the Scheme, including shareholder approvals and the sanction of the Court, have been satisfied (unless, where applicable, the relevant Condition is waived). The Scheme will become Effective upon a copy of the Court Order being delivered to the Registrar of Companies. This is expected to occur during Q3 of 2022. Unless the Scheme becomes Effective by the Long Stop Date or such later date, if any, as may be agreed in writing by Parker and Meggitt (with the Panel's consent and as the Court may approve (if such approval(s) are required)) or if the Panel requires an extension to the Long Stop Date pending final determination of an issue under section 3(g) of Appendix 7 of the Takeover Code, the Scheme will not become Effective and the Acquisition will not proceed.

If any of Conditions 2(A) to (C) set out in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document is not capable of being satisfied by the date specified therein, Parker 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. (London time) on the Business Day following the date so specified, stating whether Parker has invoked that Condition, (where applicable) waived that Condition or, with the agreement of Meggitt (with the Panel's consent and as the Court may approve (if such consent(s) or approval(s) is/are required)), specified a new date by which that Condition must be satisfied.

Parker has reserved the right to elect (with the consent of the Panel and subject to and in accordance with the terms of the Cooperation Agreement) to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued share capital of Meggitt not already held by Parker as an alternative to the Scheme, in which case additional documents will be required to be sent to Meggitt Shareholders. In such event, the Takeover Offer will be implemented on substantially the same terms

(subject to appropriate amendments), so far as applicable and subject to and in accordance with the terms of the Cooperation Agreement, as those which would apply to the Scheme, subject to appropriate amendments, including the inclusion of an acceptance condition set at 75 per cent. of the Meggitt Shares (or such other lower percentage as Parker may, subject to the rules of the Takeover Code and the terms of the Cooperation Agreement and with the consent of the Panel, decide). In the event that the Acquisition is implemented by way of a Takeover Offer, the acceptance condition shall not be capable of being satisfied until all of the other conditions to the Takeover Offer have either been satisfied or (if capable of waiver) waived.

If the Acquisition is effected by way of a Takeover Offer and such Takeover Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Parker intends to: (i) make a request to the FCA to cancel the listing of the Meggitt Shares from the Official List; (ii) make a request to the London Stock Exchange to cancel trading in Meggitt Shares on its market for listed securities; and (iii) exercise its rights, if available, to apply the provisions of Chapter 3 of Part 28 of the Companies Act to acquire compulsorily the remaining Meggitt Shares in respect of which the Takeover Offer has not been accepted.

12. Offer-related arrangements and Memorandum of Understanding

Confidentiality Agreement

On 1 July 2021, Meggitt and Parker entered into a confidentiality agreement (the “**Confidentiality Agreement**”) in relation to the Acquisition (at the time of entry into the agreement, a proposed acquisition), pursuant to which Parker has undertaken, amongst other things: (i) to keep confidential information relating to the Acquisition and Meggitt and not to disclose it to third parties (other than certain permitted parties) unless required by law or regulation or with Meggitt’s consent; and (ii) to use the confidential information for the sole purpose of evaluating, negotiating or implementing the Acquisition. These confidentiality obligations will remain in force until the earlier of (a) 18 months from the date of the Confidentiality Agreement, and (b) the date on which the Acquisition completes. The Confidentiality Agreement also contains provisions pursuant to which Parker has agreed not to solicit certain employees, consultants or independent contractors of Meggitt, subject to customary carve-outs, for a period of 12 months from the date of the Confidentiality Agreement.

Cooperation Agreement

Parker and Meggitt have entered into a cooperation agreement dated 2 August 2021, (the “**Cooperation Agreement**”) pursuant to which, among other things:

- Parker has agreed to take or cause to be taken all necessary steps in order to secure the regulatory clearances and authorisations necessary to satisfy Conditions 3(A) to (R) in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document as promptly as practicable following the date of the 2.7 Announcement and in any event in sufficient time to enable the Effective Date to occur prior to the Long Stop Date; and
- Parker and Meggitt have each agreed to certain undertakings to co-operate and provide each other with reasonable information, assistance and access in relation to the filings, submissions and notifications to be made in relation to such regulatory clearances and authorisations.

Under the terms of the Cooperation Agreement, Parker has agreed with Meggitt that it will offer a number of legally binding commitments to HM Government, as further described at paragraph 7 of Part I (*Letter from the Chairman of Meggitt*) of this Document.

The Cooperation Agreement records the parties’ intentions to implement the Acquisition by way of the Scheme, subject to the ability of Parker to implement the Acquisition by way of a Takeover Offer in certain circumstances set out in the Cooperation Agreement and with the consent of the Panel.

The Cooperation Agreement will be capable of termination by either party in certain circumstances, including if: (i) the Scheme does not become Effective by the Long Stop Date; (ii) a competing transaction completes, becomes effective or is declared or becomes unconditional in all respects; (iii) any Condition has been invoked by Parker (in circumstances where invocation of the relevant Condition is permitted by the Panel) prior to the Long Stop Date; or (iv) if the Acquisition is withdrawn or lapses in accordance with its terms prior to the Long Stop Date.

In addition, Parker may terminate the Cooperation Agreement on written notice to Meggitt where: (i) the Meggitt directors have publicly withdrawn, adversely qualified, adversely modified or failed to reaffirm or re-issue (when reasonably requested by Parker to do so) their unanimous and unconditional recommendation that Meggitt Shareholders vote in favour of the Scheme; or (ii) a competing transaction is either publicly recommended by the directors of Meggitt or completes, becomes effective or is declared or becomes unconditional in all respects.

Pursuant to the terms of the Cooperation Agreement, Parker has undertaken that it will deliver a notice in writing to Meggitt on the business day prior to the Scheme Court Hearing confirming either: (i) the satisfaction or waiver of all conditions (other than Condition 2 of Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*)); or (ii) if permitted by the Panel, that it intends to invoke one or more Conditions.

The Cooperation Agreement also contains provisions that will apply in respect of the Meggitt Share Plans and certain other employee incentive arrangements.

Clean Team Agreement

Parker and Meggitt have entered into a clean team agreement dated 7 July 2021 (the “**Clean Team Agreement**”), which sets out how any confidential information that is commercially sensitive can be disclosed, used or shared for the purposes of due diligence, synergies evaluation, integration planning and regulatory clearance. Such commercially sensitive information must only be made available to the party receiving information through designated persons removed from day-to-day commercial or strategic operations and decisions and external professional advisers. The findings of such designated persons and external advisers may only be relayed to other employees, officers and directors of the receiving party in specified circumstances and subject to certain restrictions.

CJDA

Parker, Meggitt and their respective legal counsel have entered into a confidentiality and joint defence agreement dated 5 July 2021 (the “**CJDA**”), the purpose of which is to ensure that the exchange and/or disclosure of certain materials relating to the parties and in relation to, in particular, anti-trust and regulatory analysis, only takes place between their respective legal counsel and external experts, and does not diminish in any way the confidentiality of such materials and does not result in a waiver of any privilege, right or immunity that might otherwise be available.

Memorandum of Understanding

Parker, the Trustee and Meggitt have entered into the Memorandum of Understanding, which sets out the parties’ agreement with respect to the future funding of the UK DB Pension Plan. Further details of the Memorandum of Understanding are set out under the heading ‘Pensions’ in paragraph 8 of Part I (*Letter from the Chairman of Meggitt*) of this Document.

13. Cancellation of listing of Meggitt Shares

The last day of dealings in, and registration of transfers of, Meggitt Shares on the London Stock Exchange is expected to be the Business Day immediately after the Scheme Court Hearing and no transfers shall be registered after 6:30 p.m. on that date, following which Meggitt Shares will be suspended from the Official List and from the London Stock Exchange’s main market for listed securities from 7:30 a.m. on the next Business Day thereafter.

It is intended that, prior to the Effective Date, applications will be made to the London Stock Exchange for Meggitt Shares to cease to be admitted to trading on its main market for listed securities, and to the FCA for the listing of Meggitt Shares on the Official List to be cancelled, in each case to take effect on or shortly following the Effective Date.

On the Effective Date, entitlements to Scheme Shares held within CREST will be cancelled, and share certificates in respect of Scheme Shares held in certificated form will cease to be valid documents of title and should be destroyed or, at the request of Meggitt, delivered up to Meggitt, or to any person appointed by Meggitt to receive the same.

It is also proposed that, following the Effective Date and after its shares are delisted, Meggitt shall be re-registered as a private limited company.

14. Settlement

Subject to the Acquisition becoming Effective (and except as provided in Part VII (*Additional Information for Overseas Shareholders*) of this Document in relation to certain overseas Meggitt Shareholders), settlement of the consideration to which any Meggitt Shareholder on the register of members as at the Scheme Record Time is entitled under the Scheme will be effected in the following manner:

(A) ***Meggitt Shares held in uncertificated form (that is, in CREST)***

Where, at the Scheme Record Time, a Scheme Shareholder holds Meggitt Shares in uncertificated form, the cash consideration to which such Scheme Shareholder is entitled under the terms of the Scheme will be transferred to such person through CREST by Parker instructing or procuring the instruction of Euroclear to create an assured payment obligation in favour of the appropriate CREST account through which the Scheme Shareholder holds such uncertificated Meggitt Shares in respect of the cash consideration due to them not later than the 14th day following the Effective Date.

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

Subject to the terms of the Scheme, Parker reserves the right to pay all, or any part of, the cash consideration referred to above to all or any Scheme Shareholder(s) who hold Meggitt Shares in uncertificated form in the manner referred to in paragraph (B) below if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this paragraph (A).

(B) ***Meggitt Shares held in certificated form***

Where, at the Scheme Record Time, a Scheme Shareholder holds Meggitt Shares in certificated form, settlement of the cash consideration due under the Scheme in respect of the Scheme Shares will be despatched:

- (i) by first class post, by cheque drawn on a branch of a UK clearing bank; provided that, where a person is entitled to consideration of at least £250,000, to agree with such person to facilitate electronic payment of such consideration in lieu of a cheque; or
- (ii) by such other method as may be approved by the Panel.

All such cash payments will be made in sterling and drawn on a United Kingdom clearing bank. Payments made by cheque will be payable to the Scheme Shareholder(s) concerned and the encashment of any such cheque shall be a complete discharge of Parker's obligation under the Scheme to pay the monies represented thereby. Parker shall despatch or procure the despatch of cheques within 14 days of the Effective Date to the person entitled thereto at the address as appearing in the register of members of Meggitt at the Scheme Record Time or in accordance with any special standing instructions regarding communications (except that, in the case of joint holders, Parker reserves the right to make such cheques payable to the joint holder whose name stands first in the register of members of the Company in respect of such holding at the Scheme Record Time or to make such cheques payable to all joint holders). None of Meggitt, Parker, any nominee(s) of Meggitt or Parker, or any of their respective agents shall be responsible for any loss or delay in the transmission of cheques sent in this way, and such cheques shall be sent at the risk of the person or persons entitled thereto.

If any Scheme Shareholders have not encashed their cheques within six months of the Effective Date, Parker and Meggitt shall procure that the cash consideration due to such Scheme Shareholders under the Scheme shall be held on trust for such Scheme Shareholders for a period of at least 12 years from the Effective Date solely for the purpose of satisfying payment obligations under the Scheme, and such Scheme Shareholders may claim the consideration due to them by written notice to the Company in a form which the Company determines evidences their entitlement to such consideration at any time during the period of 12 years from the Effective Date.

(C) ***General***

All documents and remittances sent to Meggitt Shareholders will be sent at the risk of the person(s) entitled thereto.

On the Effective Date each certificate representing a holding of Scheme Shares will cease to be a valid document of title and should be destroyed or, at the request of Meggitt, delivered up to Meggitt, or to any person appointed by Meggitt to receive the same.

In accordance with the Scheme, as from the Effective Date, Meggitt shall procure that each holding of Scheme Shares credited to any stock account in CREST shall be disabled. With effect from, or as soon as practicable after, the Effective Date, Meggitt shall procure that Euroclear is instructed to cancel or transfer the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form. Following cancellation of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, Meggitt shall procure (if necessary) that such entitlements to Scheme Shares are rematerialised.

Subject to the completion of the relevant forms of transfer or other instruments or instructions of transfer as may be required in accordance with the Scheme and the payment of any UK stamp duty thereon, Meggitt shall make or procure to be made, the appropriate entries in its register of members to reflect the transfer of the Scheme Shares to Parker and/or its nominee(s).

Except with the consent of the Panel, settlement of the consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which Parker might otherwise be, or claim to be, entitled against such Meggitt Shareholder.

All mandates and other instructions given to Meggitt by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

(D) ***Meggitt Share Plans***

In the case of Scheme Shares issued or transferred pursuant to the Meggitt Share Plans after the Scheme Court Hearing and prior to the Scheme Record Time, the cash consideration due under the Scheme in respect of those Scheme Shares will be settled by such method as shall be determined by Meggitt (including, but not limited to, procuring that payments are made through payroll as soon as practicable subject to the deduction of applicable income taxes and social security contributions).

(E) ***Dividends***

Please refer to paragraph 2 of this Part II (*Explanatory Statement*) for further information on dividends.

15. United Kingdom taxation

Your attention is drawn to Part VI (*United Kingdom Taxation*) and Part VII (*Additional Information for Overseas Shareholders*) of this Document, which contain a summary of limited aspects of the UK tax treatment of the Scheme. These summaries relate only to the position of certain categories of Meggitt Shareholders (as explained further in Part VI (*United Kingdom Taxation*) and Part VII (*Additional Information for Overseas Shareholders*) of this Document), do not constitute tax advice and do not purport to be a complete analysis of all potential UK tax consequences of the Scheme.

You are strongly advised to contact an appropriate independent professional adviser immediately to discuss the tax consequences of the Scheme on your particular circumstances, in particular if you are in any doubt about your own taxation position or you are subject to taxation in a jurisdiction other than the United Kingdom.

16. Overseas holders

Overseas Shareholders should refer to Part VII (*Additional Information for Overseas Shareholders*) of this Document which contains important information relevant to such Overseas Shareholders.

17. Further information

The terms of the Scheme are set out in full in Part IV (*The Scheme of Arrangement*) of this Document. Further information regarding Meggitt and Parker is set out in Part IX (*Additional Information on Meggitt*

and Parker) of this Document. Documents published and available for inspection are listed in paragraph 18 of Part IX (*Additional Information on Meggitt and Parker*) of this Document.

18. Actions to be taken

Sending Forms of Proxy by post

Meggitt Shareholders will receive a BLUE Form of Proxy for the Court Meeting and a WHITE Form of Proxy for the General Meeting. Whether or not you intend to attend these Meetings, please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them to Computershare, the Company's registrar, by post to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, so as to be received as soon as possible and in any event not later than the relevant times set out below:

BLUE Forms of Proxy for the Court Meeting 10:00 a.m. on 17 September 2021

WHITE Forms of Proxy for the General Meeting 10:15 a.m. on 17 September 2021

or, if in either case the Meeting is adjourned, the relevant Form of Proxy should be received not later than 48 hours (excluding any part of such 48 hours period falling on a day that is not a working day) before the time fixed for the adjourned Meeting.

If the BLUE Form of Proxy for the Court Meeting is not lodged by 10:00 a.m. on 17 September 2021, it may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting. Please note that any Forms of Proxy sent to this email address before 10:00 a.m. on 17 September 2021 may be discounted as invalid. In the case of the General Meeting, if the WHITE Form of Proxy for the General Meeting is not lodged by 10:15 a.m. on 17 September 2021 using one of the methods listed above, it will be invalid.

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.investorcentre.co.uk/eproxy and following the instructions therein. For an electronic proxy appointment to be valid, the appointment must be received by Computershare not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. **In the case of the Court Meeting only**, if the electronic proxy appointment is not received by this time, the BLUE Form of Proxy may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof. Full details of the procedure to be followed to appoint a proxy electronically are given on www.investorcentre.co.uk/eproxy.

Electronic appointment of proxies through CREST

If you hold Meggitt Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Court Meeting or the General Meeting (or any adjourned 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 Meetings set out in Part XI (*Notice of Court Meeting*) and Part XII (*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 Computershare (ID: 3RA50) not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Computershare are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. **In the case of the Court Meeting only**, if the CREST proxy

appointment or instruction is not received by this time, the BLUE Form of Proxy may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof.

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 any particular time. For further information on the logistics of submitting messages in CREST, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Meggitt may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

Attendance at the Meetings

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings (in person, remotely (via the Virtual Meeting Platform) or by proxy), you are therefore strongly advised to sign and return your BLUE Form of Proxy by post or transmit a proxy appointment and voting instruction (electronically, online, or through CREST) for the Court Meeting as soon as possible.

The completion and return of the Forms of Proxy by post (or transmission of a proxy appointment or voting instruction online, through CREST or by any other procedure described in this Document) will not prevent you from attending, asking questions and/or raising any objections (in the case of the Court Meeting) and voting at the Court Meeting or the General Meeting, if you are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), in each case in person or remotely (via the Virtual Meeting Platform as described in the opening pages of this Document and the Virtual Meeting Guide).

If the BLUE Form of Proxy for the Court Meeting is not lodged by 10:00 a.m. on 17 September 2021, it may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting. However, if the WHITE Form of Proxy for the General Meeting is not lodged by 10:15 a.m. on 17 September 2021, it will be invalid.

Shareholder Helpline

If you have any questions about this Document, the Court Meeting or the General Meeting, or are in any doubt as to how to complete the Forms of Proxy or to submit your proxies electronically, please contact the Shareholder Helpline operated by Computershare between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays) on +44 (0)370 703 6210. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Yours faithfully,

Ravi Gupta

For and on behalf of
Rothschild & Co

and

Shirav Patel

For and on behalf of
Morgan Stanley

PART III

CONDITIONS TO THE IMPLEMENTATION OF THE SCHEME AND TO THE ACQUISITION

Part A: Conditions to the Scheme and Acquisition

1. The Acquisition is conditional upon the Scheme becoming unconditional and Effective, subject to the provisions of the Takeover Code, by no later than 11:59 p.m. on the Long Stop Date.

Scheme approval

2. The Scheme is subject to the following Conditions:
 - (A) (i) approval of the Scheme by a majority in number of the Scheme Shareholders at the Voting Record Time and who are present and vote (and who are entitled to vote), whether in person, remotely or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court (or any adjournment of any such meetings) and who represent 75 per cent. or more in value of the Scheme Shares voted by those Scheme Shareholders; and (ii) such Court Meeting and any such separate class meeting being held on or before 13 October 2021, being the 22nd day after the expected date of the Court Meeting as set out in this Document (or such later date, if any, as Parker and Meggitt may agree, with the consent of the Panel (and that the Court may allow, if required));
 - (B) (i) the Special Resolution being duly passed by the requisite majority of Meggitt Shareholders at the General Meeting (or at any adjournment thereof); and (ii) such General Meeting being held on or before 13 October 2021, being the 22nd day after the expected date of the General Meeting as set out in this Document (or such later date, if any, as Parker and Meggitt may agree, with the consent of the Panel (and that the Court may allow, if required)); and
 - (C) (i) the sanction of the Scheme by the Court without modification or with modification on terms acceptable to Parker and Meggitt and the delivery of a copy of the Court Order to the Registrar of Companies; and (ii) the Scheme Court Hearing being held on or before the 22nd day after the expected date of the Scheme Court Hearing as set out in this Document (or such later date, if any, as Parker and Meggitt may agree, with the consent of the Panel (and that the Court may allow, if required)).

Other conditions

3. The Acquisition is also conditional upon the satisfaction of the following conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended, if appropriate) have been satisfied or, where relevant, waived:

Official authorisations and regulatory clearances

CMA Clearance

- (A) insofar as the Acquisition creates a relevant merger situation within the meaning of Section 23 of the Enterprise Act 2002, the CMA or, as the case may be, the Secretary of State adopting and formally notifying to the parties all decisions and approvals necessary to clear the Acquisition and to permit the Acquisition and any matters arising therefrom to proceed (and, to the extent relevant, all conditions or obligations contained in such decisions and approvals necessary for clearance of the Acquisition having been satisfied or complied with);

European Commission Clearance

- (B) insofar as the Acquisition falls within the scope of Council Regulation (EC) 139/2004 (the "EUMR"), closing shall be conditional upon:
 - (i) either:

- (a) the European Commission adopting and formally notifying to the parties, or having been deemed under the EUMR or Protocol 24 to the European Economic Area Agreement (the “**EEA Agreement**”) to have adopted, all decisions and approvals necessary to allow closing of the Acquisition (and, to the extent relevant, all conditions or obligations contained in such decisions and approvals necessary to allow closing of the Acquisition having been satisfied or complied with); or
- (b) in the event that all or any part of the Acquisition is referred, or is deemed under the EUMR or Protocol 24 of the EEA Agreement to have been referred, by the European Commission to the competent authorities of one or more EU Member State or EFTA State:
 - (1) all such competent authorities adopting, or having been deemed under relevant laws to have adopted, all decisions and approvals necessary to allow closing of the Acquisition (and, to the extent relevant, all conditions contained in such decisions and approvals necessary to allow closing of the Acquisition having been satisfied or complied with) or any waiting periods applicable to the Acquisition otherwise having expired or been terminated; and
 - (2) Condition 3(B)(i)(a) above being satisfied in respect of all parts of the Acquisition not so referred; and
- (ii) in the event that any EU Member State or EFTA State has indicated that it is considering whether, or intends, to take measures in relation to the Acquisition to protect legitimate interests pursuant to Article 21(4) of the EUMR or Article 7 of Protocol 24 of the EEA Agreement, all such EU Member States and EFTA States adopting, or having been deemed under relevant laws to have adopted, all decisions and approvals necessary to allow closing of the Acquisition (and, to the extent relevant, all conditions contained in such decisions and approvals necessary to allow closing of the Acquisition having been satisfied or complied with);

United States Hart Scott Rodino clearance

(C)

- (i) all filings having been made and all or any applicable waiting periods (including any extensions thereof or any timing agreements with the United States antitrust authorities) under the United States Hart Scott Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations thereunder having expired, lapsed or been terminated as appropriate in each case in respect of the Acquisition, or any matters arising from the Acquisition; and
- (ii) no law, injunction (whether temporary, preliminary or permanent), or legal order having been enacted, entered, promulgated or enforced by any United States antitrust authority of competent jurisdiction which prevents, makes illegal, prohibits, restrains or enjoins the consummation of the Acquisition;

Australia ACCC clearance

- (D) insofar as a filing is considered necessary or appropriate by Parker, Parker having received notice in writing from the Australian Competition and Consumer Commission that it does not intend to investigate further, or has no objection to, and does not intend to take any action to prevent or oppose the Acquisition (including where subject to the implementation of conditions);

Brazil CADE clearance

- (E) insofar as the Acquisition triggers a mandatory filing requirement, the Administrative Council for Economic Defense of Brazil (“**CADE**”) having approved the consummation of the Acquisition either by means of:
 - (i) a final clearance decision issued by CADE’s Superintendence-General, and the expiration of the 15-day waiting period with no third party appeals or request for further review by CADE’s Administrative Tribunal for Economic Defense;

- (ii) a final clearance decision issued by CADE's Administrative Tribunal for Economic Defense, subject to the implementation of conditions agreed with CADE (if applicable); or
- (iii) the expiration of the formal review period provided for under article 88, paragraphs 2 and 9, of the Brazilian competition law No 12529 of 30 November 2011, without a final decision being made by CADE;

China SAMR clearance

- (F) insofar as the Acquisition triggers a mandatory filing requirement, a filing having been made to and accepted by the State Administration for Market Regulation ("**SAMR**") pursuant to the Anti-Monopoly Law and SAMR having issued a formal notice confirming that it will not conduct further review of the Acquisition or allowing the Acquisition to proceed with or without conditions, or all applicable waiting periods under the Anti-Monopoly Law in respect of the review of the Acquisition having expired;

Mexico Competition Authority clearance

- (G) insofar as the Acquisition triggers a mandatory filing requirement, the Mexican Competition Authority having cleared the Acquisition, whether unconditionally pursuant to Article 90 of the Mexican Federal Economic Competition Law or subject to conditions pursuant to Articles 90 and 91 of the Mexican Federal Economic Competition Law, or the Mexican Competition Authority not having issued a decision within the required deadlines, with the consequence of deeming the Acquisition as authorised pursuant to Article 90 of the Mexican Federal Economic Competition Law;

Turkey TCA clearance

- (H) insofar as the Acquisition triggers a mandatory filing requirement, pursuant to Law No. 4054 on the Protection of Competition ("**Law No. 4054**") and Communiqué No. 2010/4 on Mergers and Acquisitions Subject to the Approval of the Competition Board:
 - (i) the Turkish Competition Board (*Rekabet Kurulu*), the competent decision-making organ of the Turkish Competition Authority (*Türk Rekabet Kurumu*) having declined jurisdiction over the Acquisition or approved the Acquisition conditionally or unconditionally; or
 - (ii) the applicable waiting period having expired pursuant to Article 10(2) of the Law No. 4054;

Other national security and foreign investment clearances

Australia

- (I) insofar as a filing is considered necessary by Parker, the occurrence of one of the following events:
 - (i) Parker receiving a written notice under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) ("**FATA**"), by or on behalf of the Treasurer of the Commonwealth of Australia stating, or to the effect that, that the Commonwealth Government does not object to the Acquisition, with or without imposing conditions; or
 - (ii) it having been determined by Parker that the Acquisition is not a significant action, a notifiable action or a notifiable national security action under FATA and, to the extent that any notification has already been made under the FATA in connection with the Acquisition, such notification having been withdrawn; or
 - (iii) the Treasurer of the Commonwealth of Australia becoming precluded from making an order under Division 2 of Part 3 of FATA in relation to the Acquisition under the FATA; or
 - (iv) if an interim order is made under the FATA in respect of the Acquisition, the subsequent period for making a final order prohibiting the transactions contemplated by this announcement elapsing without a final order being made;

Denmark

- (J) insofar as a filing is considered necessary by Parker, Parker obtaining Danish FDI clearance by means of a decision of the Danish Business Authority under Act no. 842 of 10 May 2021, *Act on screening of certain foreign direct investments etc. in Denmark* or the Ministry of Justice under the Consolidated Act no. 1004 of 22 October 2012, *Consolidated Act on War Material etc.* or any other office, department or branch of the Danish State competent to issue and release the clearance under the Danish FDI Regulation stating that:
- (i) the Acquisition does not fall within the scope of the Danish FDI Regulation; or
 - (ii) the Acquisition is expressly approved without any requirements, measures and/or conditions to be complied with; or
 - (iii) the Acquisition is expressly approved with the imposition of requirements and conditions;

France

- (K) insofar as a filing is considered necessary by Parker, Parker obtaining French foreign investment clearance for the Acquisition pursuant to Articles L. 151-3 and R. 151-1 et seq. of the French Monetary and Financial Code, by means of the French Ministry of the Economy having:
- (i) issued a decision stating that the Acquisition does not fall within the scope of the French foreign investment regulation; or
 - (ii) expressly approved the Acquisition without any requirements, measures and/or conditions to be complied with; or
 - (iii) expressly approved the Acquisition with the imposition of requirements and conditions;

Germany

- (L) insofar as a filing under the German AWG is necessary or considered appropriate by Parker, 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 or sec. 62 of the German Foreign Trade Ordinance (*Außenwirtschaftsverordnung* – “**AWV**”). This condition shall be deemed satisfied if the German Federal Ministry for Economic Affairs and Energy (*Bundeswirtschaftsministerium* – “**BMWi**”) has:
- (i) granted a Certificate of non-objection (*Unbedenklichkeitsbescheinigung*) in accordance with sec. 58 para. 1 sentence 1 AWV or issued a clearance decision (*Freigabe*) in accordance with sec. 58a or sec. 61 AWV or otherwise informed Parker that it will not initiate formal proceedings (*Prüfverfahren*) within the two months’ time period specified in sec 14a para. 1 no. 1 AWG; or
 - (ii) informed Parker in writing, after initiating formal proceedings (*Prüfverfahren*), that the Acquisition will not be prohibited or does not meet the requirements for a prohibition; or
 - (iii) not prohibited the Acquisition, after initiating formal proceedings (*Prüfverfahren*), within the four months’ time period specified in sec. 14a para. 1 no. 2 AWG, as possibly extended pursuant to sec. 14a paras. 4, 5 and 6 AWG; or
 - (iv) declared in writing that the Acquisition can be closed without having obtained prior approval from the German Federal Ministry for Economic Affairs and Energy;

Italy

- (M) insofar as a filing is necessary or considered appropriate by Parker, Parker obtaining Italian FDI clearance by means of, alternatively, either:
- (i) a decision of the Italian FDI Authority stating that: (i) the Acquisition does not fall within the scope of the Italian FDI Regulation; or (ii) the Acquisition is expressly approved without any requirements, measures and/or conditions to be complied with; or (iii) the Acquisition is expressly approved with the imposition of requirements and conditions; or

- (ii) the expiration of all the applicable statutory periods for the issuance by the Italian FDI Authority of an express decision on the Acquisition pursuant to the Italian FDI Regulation, that is qualified as tacit approval of the Acquisition under the Italian FDI Regulation;

UK

- (N) to the extent that the NS&I Act commences prior to the Effective Date and a mandatory and suspensory notification is required under that Act, a notification having been accepted and:
 - (i) the Secretary of State confirming before the end of the review period that no further action will be taken in relation to the Acquisition; or
 - (ii) if the Secretary of State issues a call-in notice in relation to the Acquisition, the parties receiving a final notification containing confirmation that the Secretary of State will take no further action in relation to the call-in notice and the Acquisition under the NS&I Act; or
 - (iii) the Secretary of State making a final order in relation to the Acquisition (and, to the extent relevant, all conditions or obligations contained in such an order necessary for completion of the Acquisition having been satisfied or complied with);

Other

- (O) to the extent that any new or amended public interest, foreign investment or national security laws, rules or regulations become effective before the Effective Date, and such laws, rules or regulations apply to the Acquisition, all mandatory and suspensory approvals as are legally required, or, in the reasonable opinion of Parker, advisable, pursuant to such laws, rules or regulations to permit the Acquisition to occur having been obtained;

General Third Party official authorisations and regulatory clearances

- (P) excluding filings, applications, obligations, notifications, waiting and other time periods, and clearances relating to antitrust, merger control or national security or foreign investment screening referred to in Conditions 3(A) to (O), in respect of which those Conditions shall apply, all notifications to and filings with, Third Parties which are necessary or considered appropriate by Parker having been made, all appropriate or necessary waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any relevant jurisdiction having been complied with, in each case in connection with the Acquisition or the acquisition of any shares or other securities in, or control or management of, Meggitt or any other member of the Wider Meggitt Group by any member of the Wider Parker Group or the carrying on by any member of the Wider Meggitt Group of any material aspect of its business;
- (Q) no Third Party having intervened (other than any Third Party having intervened in respect of antitrust, merger control or national security or foreign investment screening referred to in Conditions 3(A) to (O), in respect of which those Conditions shall apply) and there not continuing to be outstanding any statute, regulation or order of any Third Party (other than any statute, regulation, or order of any Third Party relating to antitrust, merger control or national security or foreign investment screening referred to in Conditions 3(A) to (O), in respect of which those Conditions shall apply) in each case which would or would reasonably be expected to:
 - (i) make the Scheme or the Acquisition or, in each case, its implementation or the acquisition by Parker or any member of the Wider Parker Group of any shares or other securities in, or control or management of, Meggitt or any member of the Wider Meggitt Group void, illegal or unenforceable in any jurisdiction, or otherwise directly or indirectly materially restrain, prevent, prohibit, restrict or delay the same or impose additional material conditions or obligations with respect to the Scheme or the Acquisition or such acquisition, or otherwise materially impede, challenge or interfere with the Scheme or Acquisition or such acquisition, or require material amendment to the terms of the Scheme or Acquisition or the acquisition of any Meggitt Shares or the acquisition of control or management of Meggitt or the Wider Meggitt Group by Parker or any member of the Parker Group;

- (ii) materially limit or delay, or impose any material limitations on, the ability of any member of the Wider Parker Group or any member of the Wider Meggitt Group to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or other securities in, or to exercise voting or management control over, any member of the Wider Meggitt Group or any member of the Wider Parker Group;
- (iii) require, prevent or materially delay the divestiture or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Parker Group of any shares or other securities in any member of the Meggitt Group;
- (iv) require, prevent or materially delay the divestiture or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Parker Group or by any member of the Wider Meggitt Group of all or a material part of their respective businesses, assets or properties or materially limit the ability of any of them to conduct any of their respective businesses or to own or control any of their respective assets or properties or any part thereof;
- (v) except pursuant to the implementation of the Acquisition, or, if applicable, sections 974 to 991 of the Companies Act, require any member of the Wider Parker Group or of the Wider Meggitt Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) in any member of either group owned by any third party;
- (vi) materially adversely limit the ability of any member of the Wider Parker Group or of the Wider Meggitt Group to conduct or integrate or co-ordinate its business, or any part of it, with the businesses or any part of the businesses of any other member of the Wider Parker Group or of the Wider Meggitt Group;
- (vii) result in any member of the Wider Meggitt Group or the Wider Parker Group ceasing to be able to carry on business under any name under which it presently does so; or
- (viii) otherwise materially adversely affect any or all of the business, assets, profits, financial or trading position or prospects of any member of the Wider Meggitt Group or of the Wider Parker Group,

and all applicable waiting and other time periods during which any Third Party could intervene under the laws of any relevant jurisdiction having expired, lapsed or been terminated;

- (R) all Authorisations which are necessary in any relevant jurisdiction for or in respect of the Scheme or Acquisition or the acquisition of any shares or other securities in, or control or management of, Meggitt or any other member of the Wider Meggitt Group by any member of the Wider Parker Group or the carrying on by any member of the Wider Meggitt Group of its business having been obtained from all appropriate Third Parties or from any persons or bodies with whom any member of the Wider Meggitt Group has entered into contractual arrangements, in each case where the absence of such Authorisation would have a material adverse effect on the Meggitt Group taken as a whole and all such Authorisations remaining in full force and effect and there being no notice or intimation of any intention to revoke, suspend, restrict, modify or not to renew any of the same;

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

- (S) except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise or other instrument to which any member of the Wider Meggitt Group is a party, or by or to which any such member or any of its assets is or are or may be bound, entitled or subject which, in each case as a consequence of the Scheme or Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control of, Meggitt or any other member of the Wider Meggitt Group by any member of the Wider Parker Group or otherwise, would or would reasonably be expected to result in, (in any case to an extent which is or would be material and adverse in the context of the Wider Meggitt Group taken as a whole):
 - (i) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any such member of the Wider Meggitt Group being or becoming repayable or capable of being declared repayable immediately or prior to its stated maturity date or repayment date or the ability of any such member of the Wider Meggitt

Group to borrow monies or incur any indebtedness being withdrawn or inhibited or becoming capable of being withdrawn or inhibited;

- (ii) other than in the ordinary course of business, 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 such member of the Wider Meggitt Group;
- (iii) any such arrangement, agreement, licence, permit, franchise or instrument, or the rights, liabilities, obligations or interests of any such member of the Wider Meggitt Group thereunder, being terminated or adversely modified or affected or any adverse action being taken or any obligation or liability arising thereunder;
- (iv) any asset or interest of any such member of the Wider Meggitt Group being or falling to be disposed of or charged or ceasing to be available to any such member of the Wider Meggitt Group or any right arising under which any such asset or interest could be required to be disposed of or could cease to be available to any such member of the Wider Meggitt Group otherwise than in the ordinary course of business;
- (v) any such member of the Wider Meggitt Group ceasing to be able to carry on business under any name under which it presently does so;
- (vi) the creation of material liabilities (actual or contingent) by any such member of the Wider Meggitt Group other than trade creditors or other liabilities incurred in the ordinary course of business;
- (vii) the rights, liabilities, obligations or interests of any such member of the Wider Meggitt Group under any such arrangement, agreement, licence, permit, franchise or other instrument or the interests or business of any such member in or with any other person, firm, company or body (or any arrangement or arrangements relating to any such interests or business) being terminated or adversely modified or adversely affected; or
- (viii) the financial or trading position or the value of any member of the Wider Meggitt Group being prejudiced or adversely affected,

and no event having occurred which, under any provision of any such arrangement, agreement, licence, permit or other instrument, would reasonably be expected to result in any of the events or circumstances which are referred to in paragraphs (i) to (viii) of this Condition 3(S) occurring, in any case to an extent which is or would be material and adverse in the context of the Meggitt Group taken as a whole;

- (T) since 31 December 2020 and except as Disclosed, no member of the Wider Meggitt Group having:
 - (i) issued or agreed to issue, or authorised the issue of, additional shares of any class, or securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold any shares out of treasury, in each case other than as between Meggitt and wholly-owned subsidiaries of Meggitt and/or on the exercise of options or vesting of awards granted in the ordinary course under or in connection with the Meggitt Share Plans;
 - (ii) purchased or redeemed or repaid any of its own shares or other securities or reduced or made any other change to any part of its share capital, in each case to an extent which (other than in the case of Meggitt) is material in the context of the Meggitt Group taken as a whole;
 - (iii) recommended, declared, paid or made any dividend or other distribution whether payable in cash or otherwise or made any bonus issue (other than to Meggitt or a wholly-owned subsidiary of Meggitt);
 - (iv) save for intra-Meggitt Group transactions, made or authorised any change in its loan capital (other than in connection with ordinary course financing arrangements) in any case to an extent which is material and adverse in the context of the Meggitt Group taken as a whole;

- (v) other than pursuant to the Acquisition (and except for any transactions in the ordinary course of business or between Meggitt and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) merged with, demerged or acquired any body corporate, partnership or business or acquired or disposed of or transferred, mortgaged, charged or created any security interest over any assets or any right, title or interest in any assets (including shares in any undertaking) or authorised the same (in each case to an extent which is material in the context of the Meggitt Group taken as a whole);
- (vi) except in the ordinary course of business or except as between Meggitt and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, issued or authorised the issue of, or made any change in or to, any debentures or incurred or increased any indebtedness or liability (actual or contingent) which in any case is material and adverse in the context of the Meggitt Group taken as a whole;
- (vii) entered into, varied, or authorised any material agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which:
 - (a) is of a long-term, onerous or unusual nature or magnitude or which would or would be reasonably expected to involve an obligation of such nature or magnitude (save in the ordinary course of business); or
 - (b) would or would reasonably be likely to restrict the business of any member of the Wider Meggitt Group other than to a nature and extent which is normal in the context of the business concerned,
 and, in either case, which is or would reasonably be expected to be material in the context of the Wider Meggitt Group taken as a whole;
- (viii) entered into or materially varied the terms of, any contract, agreement or arrangement with any of the directors or senior executives of any member of the Wider Meggitt Group which is material and adverse in the context of the Wider Meggitt Group taken as a whole;
- (ix) (other than in respect of a member which is dormant or which is solvent at the relevant time) taken any corporate action or had any legal proceedings instituted or threatened against it, or petition presented or order made for its winding-up (voluntarily or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any material part of its assets and revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction which in any case is material in the context of the Wider Meggitt Group taken as a whole;
- (x) 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 any case with a material adverse effect on the Wider Meggitt Group taken as a whole;
- (xi) other than claims between Meggitt and its wholly-owned subsidiaries, or between such wholly-owned subsidiaries, waived or compromised any claim, otherwise than in the ordinary course of business, which is material in the context of the Wider Meggitt Group taken as a whole;
- (xii) other than in connection with the Scheme, made any alteration to its memorandum or articles of association which is material in the context of the Acquisition;
- (xiii) (except in relation to changes made or agreed as a result of, or arising from, applicable law or changes to applicable law) made or agreed or consented to:
 - (a) any material change:
 - (1) to the terms of the trust deeds constituting the pension scheme(s) established for its directors, employees or their dependants; or

- (2) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder; or
- (3) the basis on which qualification for, or accrual or entitlement to such benefits or pensions are calculated or determined; or
- (4) the basis upon which the liabilities (including pensions) or such pension schemes are funded, valued or made,

in each case, which has or would reasonably be expected to have an effect that is material in the context of the Wider Meggitt Group taken as a whole; or

- (b) any non-ordinary course change to the trustees of the pension scheme(s), including the appointment of a trust corporation;
- (xiv) (other than pursuant to the directors' remuneration policy approved by Meggitt Shareholders at the annual general meeting of Meggitt held on 29 April 2021) 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 Meggitt Group in a manner which is material in the context of the Meggitt Group taken as a whole, other than in accordance with the terms of the Acquisition or as agreed by the Panel or Parker; or
- (xv) entered into any agreement, commitment or arrangement or passed any resolution or made any offer (which remains open for acceptance) or proposed or announced any intention with respect to any of the transactions, matters or events referred to in this Condition 3(T);

No adverse change, litigation or regulatory enquiry

(U) since 31 December 2020 and except as Disclosed:

- (i) there having been no adverse change or deterioration in the business, assets, financial or trading positions or profit or prospects of any member of the Wider Meggitt Group which in any case is material and adverse in the context of the Meggitt Group taken as a whole;
- (ii) no contingent or other liability of any member of the Wider Meggitt Group having arisen or become apparent or increased other than in the ordinary course of business which in any case is material and adverse in the context of the Wider Meggitt Group taken as a whole;
- (iii) (other than as a result of or in connection with the Acquisition) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Meggitt Group is or may become a party (whether as plaintiff, defendant or otherwise) having been threatened in writing, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the Wider Meggitt Group which in any case is or would reasonably be expected to have a material adverse effect in the context of the Wider Meggitt Group taken as a whole;
- (iv) (other than as a result of or in connection with the Acquisition) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened in writing, announced, implemented, instituted by or against or remaining outstanding against or in respect of any member of the Wider Meggitt Group which in any case would reasonably be expected to have an adverse effect that is material in the context of the Meggitt Group taken as a whole;
- (v) on or after the date of the 2.7 Announcement and other than with the consent of Parker, no action having been taken or proposed by any member of the Wider Meggitt Group, or having been approved by Meggitt Shareholders which requires or would require the approval of Meggitt Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code; or

- (vi) no member of the Wider Meggitt Group having conducted its business in breach of any applicable laws and regulations which in any case is material in the context of the Meggitt Group taken as a whole;

No discovery of certain matters

- (V) except as Disclosed, Parker not having discovered:
 - (i) that any financial or business or other information concerning the Wider Meggitt Group disclosed at any time by or on behalf of any member of the Wider Meggitt Group, whether publicly, to any member of the Wider Parker Group or otherwise, is materially misleading or contains any material misrepresentation of fact or omits to state a fact necessary to make any information contained therein not misleading and which was not subsequently corrected before 2 August 2021 by disclosure either publicly or otherwise to Parker, in each case to an extent which is material in the context of the Wider Meggitt Group taken as a whole;
 - (ii) that any member of the Wider Meggitt Group is subject to any liability (actual or contingent) which in any case is material in the context of the Wider Meggitt 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 Meggitt Group and which is material in the context of the Wider Meggitt Group taken as a whole;
 - (iv) that any past or present member of the Wider Meggitt Group has not complied with any applicable legislation or regulations of any jurisdiction with regard to the use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health, or otherwise relating to environmental matters or the health and safety of any human, or that there has otherwise been any such use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission (whether or not this constituted a non-compliance by any person with any legislation or regulations and wherever the same may have taken place) which, in any case, would be likely to give rise to any liability (whether actual or contingent) or cost on the part of any member of the Wider Meggitt Group which in any case is material in the context of the Meggitt Group taken as a whole; or
 - (v) that there is, or is reasonably likely to be, any material 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 Meggitt Group or any other property or any controlled waters under any environmental legislation, regulation, notice, circular, order or other lawful requirement of any relevant authority or third party or otherwise which in any case is material in the context of the Meggitt Group taken as a whole;

Anti-corruption, sanctions and criminal property

- (W) Parker not having discovered, other than as Disclosed, that:
 - (i) (a) any past or present member, director, officer or employee of the Wider Meggitt Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti corruption legislation or (b) any person that performs or has performed services for or on behalf of the Wider Meggitt Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption legislation; or
 - (ii) to an extent which is or would reasonably be expected to be material in the context of the Wider Meggitt Group taken as a whole, any asset of any member of the Wider Meggitt Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition); or

- (iii) any past or present member, director, officer or employee of the Meggitt Group, or any other person for whom any such person may be liable or responsible, has engaged in any business with, made any investments in, made any funds or assets available to or received any funds or assets from: (a) 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 Assets Control, or HM Treasury & Customs; or (b) 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, which in each case would cause any member of the Meggitt Group to be in breach of any economic sanctions laws applicable to the Meggitt Group; or
- (iv) a member of the Meggitt Group has engaged in any transaction which would cause the Meggitt Group to be in breach of any law or regulation prior to completion of the Acquisition, including the economic sanctions of the United States Office of Foreign Assets Control, or HM Treasury & 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.

For the purpose of these Conditions:

- (i) **“Third Party”** means any central bank, government, government department or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, authority, court, trade agency, association, institution or professional or environmental body in any relevant jurisdiction, including, for the avoidance of doubt, the Panel;
- (ii) a Third Party shall be regarded as having **“intervened”** if it has decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or made, proposed or enacted any statute, regulation, decision or order or taken any measures or other steps or required any action to be taken or information to be provided or otherwise having done anything and **“intervene”** shall be construed accordingly; and
- (iii) **“Authorisations”** means authorisations, orders, grants, recognitions, determinations, certificates, confirmations, consents, licences, clearances, provisions and approvals, in each case of a Third Party.

Part B: Waivers and invocation of Conditions

1. Subject to the requirements of the Panel, Parker reserves the right in its sole discretion to waive in whole or in part, all or any of the Conditions set out in Part A (*Conditions to the Scheme and Acquisition*) above, except Conditions 2(A)(i), 2(B)(i) and 2(C)(i), which cannot be waived. If any of Conditions 2(A)(ii), 2(B)(ii) or 2(C)(ii) is not satisfied by the relevant deadline specified in the relevant Condition, Parker shall make an announcement by 8.00 a.m. on the business day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadlines or agreed with Meggitt to extend the relevant deadline.
2. Parker shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of Conditions 3(A) to 3(W) in Part A (*Conditions to the Scheme and Acquisition*) above by a date earlier than the latest date for the fulfilment of that Condition, notwithstanding that the other Conditions may at an earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any Condition may not be capable of fulfilment.
3. Under Rule 13.5(a) of the Takeover Code and subject to paragraph 4, Parker may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Parker in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.

4. Conditions 1, 2(A), 2(B) and 2(C) of Part A (*Conditions to the Scheme and Acquisition*) of this Part III (*Conditions to the implementation of the Scheme and to the Acquisition*) (and any Takeover Offer acceptance condition adopted on the basis specified in Part C (*Implementation by way of Takeover Offer*) of this Part III (*Conditions to the implementation of the Scheme and to the Acquisition*)) are not subject to Rule 13.5(a) of the Takeover Code.
5. Any Condition that is subject to Rule 13.5(a) of the Takeover Code may be waived by Parker.
6. The Scheme will not become effective unless the Conditions have been fulfilled or (to the extent capable of waiver) waived or, where appropriate, have been determined by Parker to be or remain satisfied by no later than the Long Stop Date.
7. If the Panel requires Parker to make an offer or offers for any Meggitt Shares under the provisions of Rule 9 of the Takeover Code, Parker may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
8. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

Part C: Implementation by way of Takeover Offer

Parker reserves the right to elect (with the consent of the Panel and subject to and in accordance with the terms of the Cooperation Agreement) to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, such Takeover Offer will be implemented on the same terms and conditions, so far as applicable and subject to and in accordance with the terms of the Cooperation Agreement, as those which would apply to the Scheme, subject to appropriate amendments, including the inclusion of an acceptance condition set at 75 per cent. of the Meggitt Shares (or such other lower percentage as Parker may, subject to the rules of the Takeover Code and the terms of the Cooperation Agreement and with the consent of the Panel, decide). In the event that the Acquisition is implemented by way of a Takeover Offer, the acceptance condition shall not be capable of being satisfied until all of the other conditions to the Takeover Offer have either been satisfied or (if capable of waiver) waived.

Part D: Certain further terms of the Acquisition

1. Meggitt Shares will be acquired by Parker fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and other third party rights of any nature whatsoever and together with all rights attaching to them as at the Effective Date, including the right to receive and retain, in full, all dividends and other distributions (if any) declared, made, paid or payable, or any other return of capital or value made, on or after the Effective Date.
2. If, on or after the date of the 2.7 Announcement, any dividend, distribution and/or other return of capital or value is declared, made or paid or becomes payable in respect of the Meggitt Shares, Parker reserves the right (without prejudice to any right of Parker), with the consent of the Panel, to invoke Condition 3(T)(iii) in Part A (*Conditions to the Scheme and Acquisition*) of this Part III (*Conditions to the implementation of the Scheme and to the Acquisition*), to reduce the consideration payable under the terms of the Acquisition for the Meggitt Shares by an amount up to the amount of such dividend, distribution and/or return of capital or value in which case any reference in this Document to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. In such circumstances, Meggitt Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital or value. Any exercise by Parker 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 Acquisition. To the extent that any such dividend, distribution and/or other return of capital or value is declared, made or paid or is payable and it is: (i) transferred pursuant to the Acquisition on a basis which entitles Parker to receive the dividend or distribution and to retain it; or (ii) cancelled, the consideration payable under the terms of the Acquisition will not be subject to change in accordance with this paragraph.

3. The Acquisition will be subject, *inter alia*, to the Conditions and certain further terms which are set out in this Part III (*Conditions to the implementation of the Scheme and to the Acquisition*) and such further terms as may be required to comply with the Listing Rules and the provisions of the Takeover Code.
4. The Acquisition, the Scheme, and the Forms of Proxy shall be governed by English law and shall be subject to the jurisdiction of the courts of England and Wales. The Scheme shall be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA and the Listing Rules.

PART IV

THE SCHEME OF ARRANGEMENT

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

CR-2021-001248

IN THE MATTER OF MEGGITT PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

between

MEGGITT PLC

and

THE HOLDERS OF THE SCHEME SHARES

(as hereinafter defined)

PRELIMINARY

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

“Acquisition”	the proposed acquisition by Parker of the entire issued and to be issued share capital of Meggitt not already owned by or on behalf of Parker to be effected by means of the Scheme and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
“Business Day”	a day (other than a Saturday, Sunday or a public or bank holiday in the United Kingdom) on which clearing banks in London are generally open for normal business;
“certificated form” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST);
“Companies Act”	the Companies Act 2006, as amended from time to time;
“Conditions”	the conditions to the Acquisition and to the implementation of this Scheme set out in Part III (<i>Conditions to the Implementation of the Scheme and to the Acquisition</i>) of this Document;
“Court Meeting”	the meeting of Scheme Shareholders (including any adjournment, postponement or reconvening thereof) convened pursuant to an order of the Court pursuant to section 896 of the Companies Act for the purpose of considering and, if thought fit, approving (with or without modification) this Scheme;
“Court Order”	the order of the Court sanctioning this Scheme under section 899 of the Companies Act;

“Court”	the High Court of Justice in England and Wales;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time (including by means of the Uncertificated Securities (Amendment and EU Exit) Regulations 2019 (SI 2019/679));
“CREST”	the relevant system (as defined in the CREST Regulations) of which Euroclear is the Operator (as defined in the CREST Regulations) in accordance with which securities may be held and transferred in uncertificated form;
“Document”	the circular to the Meggitt Shareholders published by the Company on 16 August 2021 containing this Scheme;
“Effective Date”	the date on which this Scheme becomes effective in accordance with its terms;
“Euroclear”	Euroclear UK & Ireland Limited;
“Excluded Shares”	any Meggitt Shares which are: <ul style="list-style-type: none"> (i) registered in the name of or beneficially owned by Parker or any of its subsidiary undertakings; or (ii) held in treasury by Meggitt, in each case immediately prior to the Scheme Record Time;
“holder”	a registered holder and includes any person(s) entitled by transmission;
“Latest Practicable Date”	close of business on 13 August 2021, being the latest practicable date before publication of this Document;
“Meeting”	the Court Meeting and/or the General Meeting, as the case may be;
“Meggitt” or “Company”	Meggitt PLC, a company incorporated in England and Wales with registered number 00432989;
“Meggitt Shareholders”	the holders of Meggitt Shares from time to time;
“Meggitt Shares”	ordinary shares of 5 pence each in the capital of Meggitt;
“Meggitt Share Plans”	the Meggitt 2014 Long Term Incentive Plan, the Meggitt Share Incentive and Retention Plan, the Meggitt 2018 Sharesave Plan, the Meggitt PLC Share Incentive Plan, the Meggitt 2005 Executive Share Option Scheme and the Meggitt 2005 Equity Participation Plan;
“Panel”	the Panel on Takeovers and Mergers of the United Kingdom, or any successor to it;
“Parker”	Parker-Hannifin Corporation, a corporation incorporated in Ohio, United States;
“Scheme”	this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Meggitt and Parker;

“Scheme Record Time”	6:30 p.m. on the Business Day immediately after the date on which the Court makes the Court Order;
“Scheme Shareholders”	holders of Scheme Shares;
“Scheme Shares”	the Meggitt Shares: <ul style="list-style-type: none"> (i) in issue at the date of this Scheme; (ii) (if any) issued after the date of this Scheme and prior to the Voting Record Time; and (iii) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time either on terms that the original or any subsequent holders thereof shall be bound by this Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by this Scheme, <p style="margin-left: 40px;">in each case (where the context requires), remaining in issue at the Scheme Record Time but excluding any Excluded Shares at any relevant date or time;</p>
“subsidiary undertaking”	has the meaning given in section 1162 of the Companies Act;
“Takeover Code”	the City Code on Takeovers and Mergers, as amended from time to time;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“uncertificated form” or “in uncertificated form”	a share or other security recorded on the relevant register as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST; and
“Voting Record Time”	6:30 p.m. on the day which is two Business Days prior to the date of the Court Meeting or, if the Court Meeting is adjourned, 6:30 p.m. on the day which is two Business Days before the date of such adjourned Meeting.

- (B) In this Scheme, all references to times of day are to London time.
- (C) As at the Latest Practicable Date, the issued share capital of the Company was £39,069,451.85 divided into 781,389,037 ordinary shares of 5 pence each, including shares held in treasury, all of which are credited as fully paid up. The Company holds 9,859 ordinary shares of 5 pence each in treasury.
- (D) As at the Latest Practicable Date, 8,778,745 Meggitt Shares may be issued on or after the date of this Document to satisfy the exercise of options or vesting of awards pursuant to the Meggitt Share Plans and the Meggitt Employee Benefit Trust holds 1,729,836 Meggitt Shares which can be used to satisfy the exercise of options and vesting of awards granted under the Meggitt Share Plans.
- (E) As at the Latest Practicable Date, neither Parker nor any of its subsidiary undertakings is the registered holder of, or beneficially owns, any Meggitt Shares.
- (F) Parker has agreed, subject to the satisfaction or (where applicable) waiver of the Conditions (other than Condition 2(C)) set out in this Document, to appear by Counsel at the hearing to sanction this Scheme and to undertake to the Court to be bound by the provisions of this Scheme in so far as it relates to Parker and to execute and do or 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 to give effect to this Scheme.

THE SCHEME

1. Transfer of Scheme Shares

- (A) Upon and with effect from the Effective Date, Parker (and/or its nominee(s)) shall acquire all the Scheme Shares fully paid up with full title guarantee, free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights or interests of any nature, and together with all rights attaching or accruing to such Scheme Shares at the Effective Date or thereafter attached thereto, including voting rights and the right to receive and retain all dividends and other distributions (if any) and any return of capital or value (whether by reduction of share capital or share premium account or otherwise) announced, declared, made or paid in respect of the Scheme Shares by reference to a record date on or after the Effective Date.
- (B) For the purposes of such acquisition, the Scheme Shares shall be transferred to Parker (and/or its nominee(s)) and such transfer shall be effected by means of a form or forms of transfer or other instrument or instruction of transfer, and to give effect to such transfer(s) any person may be appointed by Parker as attorney and/or agent and shall be authorised as such attorney and/or agent on behalf of the relevant holder of Scheme Shares to execute and deliver as transferor a form of transfer or other instrument of transfer (whether as a deed or otherwise) of, or give any instruction to transfer, such Scheme Shares and every form, instrument or instruction of transfer so executed or instruction given shall be as effective as if it had been executed or given by the holder or holders of the Scheme Shares thereby transferred.
- (C) With effect from the Effective Date and pending the transfer of the Scheme Shares pursuant to sub-clause 1(A) and sub-clause 1(B) of this Scheme and the updating of the register of members of the Company to reflect such transfer, each Scheme Shareholder irrevocably:
- (i) appoints Parker (and/or its nominee(s)) as its attorney and/or agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to its Scheme Shares and any or all rights and privileges (including the right to requisition the convening of a general meeting of the Company or of any class of its shareholders) attaching to its Scheme Shares;
 - (ii) appoints Parker (and/or its nominee(s)) and any one or more of its directors or agents to sign on behalf of such Scheme Shareholder any such documents, and do such things, as may in the opinion of Parker and/or any one or more of its directors or agents be necessary or desirable in connection with the exercise of any votes or any other rights or privileges attaching to its Scheme Shares (including, without limitation, an authority to sign any consent to short notice of any general or separate class meeting of Meggitt as attorney or agent for, and on behalf of, such Scheme Shareholder and/or to attend and/or to execute a form of proxy in respect of its Scheme Shares appointing any person nominated by Parker and/or any one or more of its directors or agents to attend any general and separate class meetings of Meggitt (or any adjournment thereof) and to exercise or refrain from exercising the votes attaching to the Scheme Shares on such Scheme Shareholder's behalf); and
 - (iii) authorises Meggitt and/or its agents to send to Parker (and/or its nominee(s)) any notice, circular, warrant or other document or communication which may be required to be sent to them as a member of Meggitt in respect of such Scheme Shares (including any share certificate(s) or other document(s) of title issued as a result of conversion of their Scheme Shares into certificated form),

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 the transfer of Scheme Shares

- (A) In consideration for the transfer of the Scheme Shares to Parker and/or its nominee(s) referred to in sub-clause 1(A) and sub-clause 1(B) of this Scheme, Parker shall, subject as hereinafter provided, pay or procure that there shall be paid to or for the account of each Scheme Shareholder (as appearing on the register of members of Meggitt at the Scheme Record Time):

for each Scheme Share: 800 pence in cash

- (B) If prior to the Effective Date, any dividend, distribution and/or other return of capital or value is announced, declared, made or paid in respect of Meggitt Shares, Parker shall be entitled to reduce the consideration payable for each Scheme Share by an amount up to the amount of such dividend, distribution and/or other return of capital or value so announced, declared, made or paid per Scheme Share. In such circumstances, Meggitt Shareholders will be entitled to retain any such dividend, distribution and/or other return of capital or value.
- (C) If Parker exercises the right referred to in sub-clause 2(B) of this Scheme to reduce the consideration payable for each Scheme Share by all or part of the amount of any dividend, distribution and/or other return of capital or value that has not been paid but is payable by reference to a record date prior to the Effective Date:
- (i) the relevant Scheme Shareholders shall be entitled to receive and retain that dividend, distribution and/or other return of capital or value in respect of the Meggitt Shares they hold;
 - (ii) any reference in this Scheme and the Document to the consideration payable under the Scheme shall be deemed a reference to the consideration as so reduced; and
 - (iii) the exercise of such rights shall not be regarded as constituting any revision or modification of the terms of this Scheme.
- (D) To the extent that any such dividend, distribution and/or other return of capital or value is announced, declared, made or is payable and it is: (i) transferred pursuant to the Acquisition on a basis which entitles Parker to receive the dividend and/or distribution and/or other return of capital or value and to retain it; or (ii) cancelled, the consideration payable under the terms of this Scheme will not be subject to change in accordance with Clause 2 of this Scheme.

3. Settlement and despatch of consideration

- (A) As soon as practicable after the Effective Date, and in any event not more than 14 days after the Effective Date (unless the Panel agrees otherwise), Parker shall:
- (i) in the case of the Scheme Shares which at the Scheme Record Time are in certificated form, despatch, or procure the despatch of, cheques for the sums payable to the Scheme Shareholder to the persons entitled thereto in accordance with Clause 2 of this Scheme, provided that Parker reserves the right, where a person is entitled to consideration of at least £250,000, to agree with such person to facilitate electronic payment of such consideration in lieu of a cheque. Parker further reserves the right to make payment of the said consideration by any other method approved by the Panel;
 - (ii) in the case of the Scheme Shares which at the Scheme Record Time are in uncertificated form, instruct, or procure the instruction of, Euroclear to create an assured payment obligation in respect of the sums payable to the Scheme Shareholder in accordance with the CREST assured payment arrangements, provided that Parker reserves the right to make payment of the said consideration by cheque as aforesaid in sub-clause 3(A)(i) of this Scheme if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with sub-clause 3(A)(i) of this Scheme; or
 - (iii) in the case of Scheme Shares issued or transferred pursuant to the Meggitt Share Plans after the making of the Court Order and prior to the Scheme Record Time, procure that the sums payable in respect of those Scheme Shares are settled by such method as shall be determined by Meggitt (including, but not limited to, procuring that payments are made through payroll as soon as possible subject to the deduction of the applicable exercise price, income taxes and social security contributions).
- (B) As from the Effective Date, 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.
- (C) All deliveries of notices, cheques or statements of entitlement required to be made pursuant to this Scheme shall be effected by sending the same by first class post in pre-paid envelopes or

by international standard post if overseas (or by such method as may be approved by the Panel) addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of Meggitt at the Scheme Record Time or, in the case of joint holders, to the address of the holder whose name stands first in such register in respect of the joint holding concerned at such time, and none of Meggitt, Parker or their respective agents or nominees shall be responsible for any loss or delay in the transmission of any notices, cheques or statements of entitlement sent in accordance with this sub-clause 3(C), which shall be sent at the risk of the person or persons entitled thereto.

- (D) All cheques shall be in pounds sterling and drawn on a United Kingdom clearing bank and shall be made payable to the Scheme Shareholder concerned (except that, in the case of joint holders, Parker 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 the Company in respect of such holding at the Scheme Record Time or to make the cheque payable to all joint holders), and the encashment of any such cheque shall be a complete discharge of Parker's obligation under this Scheme to pay the monies represented thereby. Parker shall despatch or procure the despatch of cheques within 14 days of the Effective Date.
- (E) If any Scheme Shareholders have not encashed the cheques within six months of the Effective Date, Parker and the Company shall procure that the cash consideration due to such Scheme Shareholders under this Scheme shall be held on trust for such Scheme Shareholders for a period of 12 years from the Effective Date, and such Scheme Shareholders may claim the consideration due to them (plus any interest accrued thereon, but net of any expenses and taxes) by written notice to the Company in a form which the Company determines evidences their entitlement to such consideration at any time during the period of 12 years from the Effective Date, and Parker undertakes that neither it nor its nominee(s) will seek, require or accept repayment of the monies so held on trust for the purposes detailed above prior to the first business day after the twelfth anniversary of the Effective Date or otherwise with the permission of the Court.
- (F) In respect of payments made through CREST, Parker shall instruct, or procure the instruction of, Euroclear to create an assured payment obligation in accordance with the CREST assured payment arrangements within 14 days of the Effective Date. The instruction of Euroclear shall be a complete discharge of Parker's obligation under this Scheme with reference to the payments made through CREST.
- (G) None of Meggitt, Parker or their respective agents or nominees shall be responsible for any loss or delay in the transmission of any notices, cheques or statements of entitlement sent in accordance with this Clause 3, which shall be sent at the risk of the person or persons entitled thereto.
- (H) The preceding sub-clauses of this Clause 3 of this Scheme shall take effect subject to any prohibition or condition imposed by law.

4. Certificates in respect of Scheme Shares and cancellation of CREST entitlements

With effect from, or as soon as practicable after, the Effective Date:

- (A) all certificates representing Scheme Shares shall cease to be valid as documents of title to the shares represented thereby and every holder of Scheme Shares shall be bound at the request of Meggitt to deliver up the same to Meggitt (or any person appointed by Meggitt to receive such certificates), or, as it may direct, to destroy the same;
- (B) Meggitt shall procure that Euroclear is instructed to cancel or transfer the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form;
- (C) following cancellation of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, Meggitt shall procure (if necessary) that such entitlements to Scheme Shares are rematerialised; and
- (D) subject to the completion of such forms of transfer or other instruments or instructions of transfer as may be required in accordance with Clause 1 of this Scheme and the payment of any UK

stamp duty thereon, Meggitt shall make or procure to be made, the appropriate entries in its register of members to reflect the transfer of the Scheme Shares to Parker and/or its nominee(s).

5. Mandates

All mandates and other instructions given to Meggitt by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

6. Operation of this Scheme

- (A) This Scheme shall become effective as soon as a copy of the Court Order shall have been delivered to the Registrar of Companies for England and Wales.
- (B) Unless this Scheme has become effective on or before 2 February 2023, or such later date, if any, as may be agreed in writing by Parker and Meggitt (with the Panel's consent and as the Court may approve (if such approval(s) is/are required)), this Scheme shall never become effective.

7. Modification

Meggitt and Parker may jointly consent on behalf of all persons concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the Takeover Code.

8. Governing law

This Scheme is governed by English law and is subject to the exclusive jurisdiction of English courts. The rules of the Takeover Code apply to this Scheme on the basis provided in the Takeover Code.

Dated 16 August 2021

PART V

FINANCIAL AND RATINGS INFORMATION

Part A: Financial information relating to Meggitt

The following sets out financial information in respect of Meggitt as required by Rule 24.3 of the Takeover Code. The documents referred to below, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this Document by reference pursuant to Rule 24.15 of the Takeover Code:

- the audited accounts of Meggitt for the financial year ended 31 December 2019 are set out on pages 129 to 197 (both inclusive) of the 2019 Meggitt Annual Report available from Meggitt's website at <https://www.Meggitt.com/investors/financial-reporting/results-presentations/>;
- the audited accounts of Meggitt for the financial year ended 31 December 2020 are set out on pages 157 to 228 (both inclusive) of the 2020 Meggitt Annual Report available from Meggitt's website at <https://www.Meggitt.com/investors/financial-reporting/results-presentations/>; and
- the unaudited accounts of Meggitt for the financial half year ended 30 June 2021 are set out on pages 14 to 34 (both inclusive) of the 2021 Meggitt Interim Results available from Meggitt's website at <https://www.Meggitt.com/investors/financial-reporting/results-presentations/>.

Part B: Meggitt ratings information

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

Part C: Financial Information relating to Parker

The following sets out financial information in respect of Parker as required by Rule 24.3 of the Takeover Code. The documents referred to below are incorporated into this Document by reference pursuant to Rule 24.15 of the Takeover Code:

- Parker's accounts for the financial year ended 30 June 2019 are set out in Parker's 2019 Annual Report on pages 29 to 67 (both inclusive) available from Parker's website at <https://investors.Parker.com/financial-information/annual-reports>;
- Parker's accounts for the financial year ended 30 June 2020 are set out in Parker's 2020 Annual Report on pages 29 to 65 (both inclusive) available from Parker's website at <https://investors.Parker.com/financial-information/annual-reports>;
- Parker's interim results for the nine-month period ended 31 March 2021 are set out in the Form 10-Q Quarterly Report for the period ended 31 March 2021 available on Parker's website at <https://investors.Parker.com/sec-filings>; and
- Parker's fiscal 2021 fourth quarter and full year results for the 12-month period ended 30 June 2021 are available on Parker's website at <https://investors.parker.com/financial-news/earnings-news-releases>.

Part D: Parker ratings information

The current credit ratings publicly accorded to Parker by Fitch, Moody's and Standard & Poor's are as follows:

<i>Rating agency</i>	<i>Short-term rating</i>	<i>Long-term rating</i>
Fitch	BBB+	F2
Moody's	Baa1	P2
Standard & Poor's	BBB+	A2

Part E: No incorporation of website information

Save as expressly referred to herein, neither the content of Meggitt or Parker's websites, nor the content of any website accessible from hyperlinks on Meggitt or Parker's websites is incorporated into, or forms part of, this Document.

PART VI

UNITED KINGDOM TAXATION

The comments set out below summarise certain limited aspects of the UK tax treatment of certain Meggitt Shareholders under the Scheme and do not purport to be a complete analysis of all tax considerations relating to the Scheme. They are based on current UK legislation and current published HMRC practice (which may not be binding on HMRC), in each case as at the Latest Practicable Date, both of which are subject to change, possibly with retrospective effect.

The comments are intended as a general guide and do not deal with certain types of Meggitt Shareholder such as charities, trustees, dealers in securities, persons who have or could be treated for tax purposes as having acquired their Meggitt Shares by reason of their employment or as carried interest, collective investment schemes, persons subject to UK tax on the remittance basis and insurance companies.

References below to “**UK Holders**” are to Meggitt Shareholders who are resident (and, in the case of individuals, domiciled) for tax purposes in, and only in, the United Kingdom (and to whom split-year treatment does not apply), who hold their Meggitt Shares as an investment (other than under a self-invested personal pension plan or individual savings account) and who are the absolute beneficial owners of their Meggitt Shares.

Overseas holders of Meggitt Shares are referred to Part VII (*Additional Information for Overseas Shareholders*) of this Document, which summarises certain UK tax consequences of the Scheme for such holders.

IF YOU ARE IN ANY DOUBT ABOUT YOUR TAX POSITION OR YOU ARE SUBJECT TO TAXATION IN ANY JURISDICTION OTHER THAN THE UNITED KINGDOM, YOU SHOULD CONSULT AN APPROPRIATELY QUALIFIED INDEPENDENT PROFESSIONAL ADVISOR IMMEDIATELY.

UK taxation of chargeable gains

The transfer of Meggitt Shares under the Scheme in return for cash should be treated as a disposal of the UK Holder’s Meggitt Shares for the purposes of UK capital gains tax (“**CGT**”) or corporation tax on chargeable gains (as applicable) and therefore may, depending on the UK Holder’s particular circumstances (including the availability of exemptions, reliefs and/or allowable losses), give rise to a liability to UK taxation on chargeable gains or, alternatively, an allowable capital loss.

Individual Meggitt Shareholders

Subject to available reliefs or allowances, chargeable gains arising on a disposal of Meggitt Shares by an individual UK Holder will be subject to CGT at the rate of (for the 2021/2022 tax year) 10 per cent. or 20 per cent. depending on the individual’s personal circumstances, including other taxable income and gains in the relevant tax year.

No indexation allowance will be available to an individual Meggitt Shareholder in respect of any disposal of Meggitt Shares. The CGT annual exemption may, however, be available to individual UK Holders to offset against chargeable gains realised on the disposal of their Meggitt Shares.

Corporate Meggitt Shareholders

Subject to available exemptions, reliefs or allowances, chargeable gains arising on a disposal of Meggitt Shares by a UK Holder within the charge to UK corporation tax will be subject to UK corporation tax.

For UK Holders within the charge to UK corporation tax (but which do not qualify for the substantial shareholding exemption in respect of their Meggitt Shares), indexation allowance may be available where the Meggitt Shares were acquired prior to 31 December 2017 in respect of the period of ownership of the Meggitt Shares up to and including 31 December 2017 to reduce any chargeable gain arising (but not to create or increase any allowable loss) on the transfer of their Meggitt Shares under the Scheme in return for cash.

The substantial shareholding exemption may apply to exempt from corporation tax any gain arising to UK Holders within the charge to UK corporation tax where a number of conditions are satisfied, including that the corporate UK Holder (together with certain associated companies) is regarded for the purposes of this exemption as having held not less than 10 per cent. of the ordinary issued share capital of Meggitt for a continuous period of at least 12 months beginning not more than six years prior to the date of disposal.

UK stamp duty and stamp duty reserve tax (“SDRT”)

UK stamp duty is expected to arise on the transfer of the Meggitt Shares acquired pursuant to the Acquisition, at a rate of 0.5 per cent. of the purchase price for those Meggitt Shares. As noted in paragraph 11 of Part IX (*Additional Information on Meggitt and Parker*) below, this amount of UK stamp duty will be paid by Parker. As a result, no UK stamp duty or SDRT should generally be payable by Meggitt Shareholders on the transfer of their Meggitt Shares under the Scheme.

PART VII

ADDITIONAL INFORMATION FOR OVERSEAS SHAREHOLDERS

1. General

This Document has been prepared for the purposes of complying with English law, the Takeover Code, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules 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.

The availability of the Acquisition to Meggitt Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. It is the responsibility of any person outside the United Kingdom into whose possession this Document comes to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Acquisition, including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

The release, publication or distribution of this Document in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to the laws of other jurisdictions should inform themselves of, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the United Kingdom to vote their Meggitt Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Parker or required by the Takeover Code and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or form (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Document and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Document and all documents relating to the Acquisition (including custodians, nominees and trustees) must observe these restrictions and must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction. Doing so may render invalid any purported vote in respect of the Acquisition.

This Document does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for shares in any jurisdiction in which such offer or solicitation is unlawful.

OVERSEAS SHAREHOLDERS SHOULD CONSULT THEIR OWN LEGAL AND TAX ADVISERS WITH RESPECT TO THE LEGAL AND TAX CONSEQUENCES OF THE SCHEME.

2. US Meggitt Shareholders

US Meggitt Shareholders should note that the Scheme relates to the shares of an English company and will be governed by English law. Neither the proxy solicitation rules nor the tender offer rules under the US Exchange Act will apply to the Acquisition and to the Scheme. Moreover, the Acquisition and the Scheme will be subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. Certain financial information included in this Document has been prepared in accordance with International Financial Reporting Standards and thus 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 US. However, if Parker were to exercise its right to elect to implement the acquisition of Meggitt Shares by way of a Takeover Offer in accordance with the terms of the Cooperation Agreement, such Takeover Offer would be made in compliance with applicable US securities laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder.

Neither the SEC nor any securities commission of any state of the US nor any other US regulatory authority has approved the Acquisition, passed upon the fairness of the Acquisition or passed upon the adequacy or accuracy of this Document. Any representation to the contrary is a criminal offence in the US. To the extent permitted by applicable law, in accordance with normal UK practice, Parker or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase Meggitt Shares outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. If Parker were to exercise its right to elect to implement the Acquisition by way of a Takeover Offer in accordance with the terms of the Cooperation Agreement, such takeover offer would be made in compliance with applicable US laws and regulations, including Section 14(e) of the US Exchange Act, as amended, and Regulation 14E thereunder, subject to exemptive relief, including in respect of Rule 14e-5 thereunder.

In accordance with the Takeover Code, normal UK market practice and Rule 14e-5(b) of the US Exchange Act, BofA Securities, Morgan Stanley and their affiliates will continue to act as exempt principal traders in Meggitt Securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the UK 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. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

The receipt of cash pursuant to the Acquisition by a US Meggitt Shareholder of Meggitt Shares as consideration for the transfer of its Meggitt Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and may also be a taxable transaction under applicable US state and local tax laws, as well as foreign and other tax laws. Each US Meggitt Shareholder is strongly advised to consult an appropriately qualified independent professional tax adviser immediately with respect to the tax consequences of the Scheme applicable to them, including under applicable US state and local, as well as overseas and other, tax laws.

3. UK taxation of certain Overseas Shareholders

Non-UK Holders should not be subject to UK taxation of chargeable gains in respect of the Scheme, however they may be subject to foreign taxation depending on their personal circumstances. No UK stamp duty or SDRT should generally be payable by Non-UK Holders on the transfer of their Meggitt Shares under the Scheme.

References above to “**Non-UK Holders**” are to Meggitt Shareholders who are not resident for tax purposes in the UK, have not within the past five years been resident for tax purposes in the UK and are not carrying on a trade (or profession or vocation) in the UK.

PART VIII

MEGGITT PROFIT FORECAST

On 4 March 2021, Meggitt released its preliminary statement of annual results for the financial year ended 31 December 2020 (the “**2020 Prelims**”). The 2020 Prelims included the following statement, which, subject to the clarification below in relation to revenue, was repeated in the 2021 Meggitt Interim Results:

- “Assuming no further disruption to normal operations during the year as a result of additional lockdowns, in 2021 we expect the Group to generate:
 - Revenue broadly in line with 2020;
 - An increase in underlying operating profit versus 2020; and
 - Positive free cash flow.”

This statement was repeated in the 2021 Meggitt Interim Results released on 2 August 2021, with one clarification:

- Revenue broadly in line with 2020 on an organic basis

The statement that operating profit during the financial year ending 31 December 2021 is expected to increase when compared to the financial year ended 31 December 2020 constitutes a profit forecast for the purposes of Rule 28.1 of the Takeover Code (the “**Meggitt Profit Forecast**”).

The basis of the preparation of the Meggitt Profit Forecast, including the principal assumptions on which it is based, is set out below.

Basis of preparation and principal assumptions

The Meggitt Profit Forecast is based upon internal Meggitt forecasts and excludes any impact from any successful acquisition of, or any unsuccessful attempt to acquire, Meggitt (for the purposes of this Part VIII only, the “**Acquisition**”). In particular, the Meggitt Profit Forecast excludes any costs associated with the Acquisition and does not take into account any future effect that may result from completion of the Acquisition.

Assumptions

In confirming that the Meggitt Profit Forecast remains valid, the Meggitt Directors have made the following assumptions in respect of the financial year ending 31 December 2021:

Factors outside the influence or control of the directors of Meggitt

- A continued gradual economic recovery across the sectors and within the geographies served by the Meggitt group as COVID-19 related restrictions are slowly lifted and, in particular, continued recovery in air traffic and no further extended disruption to normal operations during the financial year ending 31 December 2021 as a result of additional lockdowns or other COVID-19 related restrictions;
- In civil aerospace, progressive revenue growth throughout the second half of 2021, with recovery weighted more towards the second half of the year;
- No material change in market conditions during the financial year ending 31 December 2021, particularly in relation to customer demand or the competitive environment and that conditions in defence and energy end markets remain robust;
- No material adverse events which will have a significant impact on the operating results or financial position of Meggitt;

- No material changes to labour costs, including pension and other post-retirement benefits;
 - no material change in interest, tax and inflation rates in the markets in which the Meggitt group operates;
 - no sustained strengthening of pound sterling above the average foreign exchange rates that have applied during the period 1 January 2021 to the business day prior to the date of this announcement in respect of the major territories in which Meggitt operates, in particular the US dollar;
 - no material adverse outcome from any ongoing or future disputes with any customer, competitor, regulator or tax authority; and
 - no material change in legislation, taxation, regulatory requirements or the position of any regulatory bodies impacting the Meggitt group's operations or accounting policies.

Factors within the influence or control of the directors of Meggitt

- No significant acquisitions, disposals, partnership or joint venture agreements being entered into by the Meggitt group;
- No material change in the dividend or capital policies of Meggitt;
- No material change to the senior leadership team of Meggitt;
- No material change to Meggitt's strategy; and
- Meggitt's accounting policies will be consistently applied over the forecast period to 31 December 2021.

Meggitt Directors' confirmation

The Meggitt Directors have considered the Meggitt Profit Forecast and confirm that it remains valid as at the date of this Document and that it has been properly compiled on the basis of the assumptions set out in this Part VIII and that the basis of accounting used is consistent with Meggitt's accounting policies which are in accordance with IFRS and are those that Meggitt applied in preparing its financial statements for the financial year ended 31 December 2020.

PART IX

ADDITIONAL INFORMATION ON MEGGITT AND PARKER

1. Responsibility

- 1.1 Each of the Meggitt Directors, whose names are set out in paragraph 2.1 below, accepts responsibility for the information contained in this Document (including expressions of opinion), other than information for which responsibility is taken by the Parker Directors pursuant to paragraph 1.2 below. To the best of the knowledge and belief of the Meggitt Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Document for which they each accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 Each of the Parker Directors, whose names are set out in paragraph 2.2 below, accepts responsibility for the information contained in this Document (including any expressions of opinion) relating to Parker, the Parker Group, the Parker Directors and their respective close relatives, related trusts of and persons connected with the Parker Directors, and persons acting in concert with Parker (as such term is defined in the Takeover Code). To the best of the knowledge and belief of the Parker Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document for which they each accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

- 2.1 The Meggitt Directors and their respective positions are:

Sir Nigel Rudd DL	<i>Non-Executive Chairman</i>
Antony Wood	<i>Chief Executive Officer</i>
Louisa Burdett	<i>Chief Financial Officer</i>
Alison Goligher OBE	<i>Senior Independent Non-Executive Director</i>
Guy Berruyer	<i>Independent Non-Executive Director</i>
Colin Day	<i>Independent Non-Executive Director</i>
Nancy Gioia	<i>Independent Non-Executive Director</i>
Guy Hachey	<i>Independent Non-Executive Director</i>
Caroline Silver	<i>Independent Non-Executive Director</i>

The business address of Meggitt and each of the Meggitt Directors is Meggitt PLC, Pilot Way, Ansty Business Park, Coventry, CV7 9JU, United Kingdom.

The Company Secretary of Meggitt is Marina Thomas.

- 2.2 The Parker Directors and their respective positions are as follows:

Thomas L. Williams	<i>Chairman and Chief Executive Officer</i>
Lee C. Banks	<i>President and Chief Operating Officer</i>
Jillian C. Evanko	<i>Director</i>
Lance M. Fritz	<i>Director</i>
Linda A. Harty	<i>Director</i>
William F. Lacey	<i>Director</i>
Kevin A. Lobo	<i>Director</i>
Candy M. Obourn	<i>Director</i>
Joseph Scaminace	<i>Director</i>
Åke Svensson	<i>Director</i>
Laura K. Thompson	<i>Director</i>
James R. Verrier	<i>Director</i>
James L. Wainscott	<i>Director</i>

The business address of each Parker Director is 6035 Parkland Boulevard, Cleveland, Ohio 44124-4141, United States.

Parker is a corporation incorporated in Ohio, United States with its registered office at 6035 Parkland Boulevard, Cleveland, Ohio 44124-4141, United States.

3. Interests and dealings in Meggitt Shares

3.1 For the purposes of this paragraph 3 and paragraph 4:

- (A) “**acting in concert**” has the meaning given to it in the Takeover Code;
- (B) “**arrangement**” includes indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to securities which may be an inducement to deal or refrain from dealing;
- (C) “**dealing**” has the meaning given to it in the Takeover Code;
- (D) “**derivative**” has the meaning given to it in the Takeover Code;
- (E) “**interest**” or “**interests**” in relevant securities shall have the meaning given to it in the Takeover Code;
- (F) “**relevant Parker securities**” mean relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeror) of Parker including equity share capital in Parker (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof;
- (G) “**relevant Meggitt securities**” mean relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeree) of Meggitt including equity share capital of Meggitt (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof; and
- (H) “**short position**” means any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

3.2 As at the Latest Practicable Date, the Meggitt Directors (and their close relatives, related trusts and connected persons) held the following interests in, or rights to subscribe in respect of, relevant Meggitt securities:

<i>Meggitt Director</i>	<i>Number of Meggitt securities</i>	<i>% of Meggitt's total issued share capital</i>	<i>Nature of interest</i>
Antony Wood	63,725 ⁽¹⁾	0.01	Ordinary shares of 5 pence each
Louisa Burdett	8,628	0.01	Ordinary shares of 5 pence each
Sir Nigel Rudd	250,000	0.03	Ordinary shares of 5 pence each
Guy Berruyer	38,000	0.00	Ordinary shares of 5 pence each
Nancy Gioia	3,188 ⁽²⁾	0.00	Ordinary shares of 5 pence each
Alison Goligher	6,000	0.00	Ordinary shares of 5 pence each
Guy Hachey	3,000	0.00	Ordinary shares of 5 pence each
Caroline Silver	5,000	0.00	Ordinary shares of 5 pence each
Colin Day	76,937	0.01	Ordinary shares of 5 pence each

(1) Includes 16,500 Meggitt Shares held by Mrs Victoria Wood, a close relative of Antony Wood.

(2) Nancy Gioia holds 1,594 ADR shares of MEGGY Meggitt PLC US ADR (one ADR being equivalent to two Meggitt ordinary shares of 5 pence each).

3.3 As at the Latest Practicable Date, the Meggitt Directors held the following outstanding awards and options over relevant Meggitt securities under the Meggitt Share Plans set out below:

<i>Name</i>	<i>Share Plan</i>	<i>Number of ordinary shares under option/award</i>	<i>Vesting date</i>	<i>Exercise price (per share)</i>	
Antony Wood	2016 LTIP	112,506	1 December 2019	Nil	
	2017 LTIP	142,837	7 April 2020	Nil	
	2018 LTIP	33,618	3 April 2021	Nil	
	2019 LTIP	278,443	8 April 2022	Nil	
	2020 LTIP	251,638	28 February 2023	–	
	2021 LTIP Restricted Share Award (Tranche 1)	29,292	29 April 2022	–	
	2021 LTIP Restricted Share Award (Tranche 2)	29,292	29 April 2023	–	
	2021 LTIP Restricted Share Award (Tranche 3)	29,292	29 April 2024	–	
	2021 LTIP Performance Share Award	175,753	29 April 2024	–	
	2020 SIRP	29,146	28 February 2022	–	
	2018 Sharesave	847	1 November 2021	425.02p	
	2019 Sharesave	1,826	1 November 2024	492.80p	
	Louisa Burdett	2019 LTIP	176,389	8 April 2022	Nil
		2020 LTIP	159,409	28 February 2023	–
2021 LTIP Restricted Share Award (Tranche 1)		18,556	29 April 2022	–	
2021 LTIP Restricted Share Award (Tranche 2)		18,556	29 April 2023	–	
2021 LTIP Restricted Share Award (Tranche 3)		18,556	29 April 2024	–	
2021 LTIP Performance Share Award		111,337	29 April 2024	–	
2020 SIRP		18,463	28 February 2022	–	
2019 Sharesave		1,826	1 November 2022	492.80p	

4. Interests and Dealings in Parker Shares

As at the Latest Practicable Date, the Meggitt Directors (and their close relatives, related trusts and connected persons) held the following interests in, or rights to subscribe in respect of, relevant Parker securities:

<i>Meggitt Director</i>	<i>Number of Parker securities</i>	<i>Nature of interest</i>
Nancy Gioia	28	Common shares of \$0.50 each

5. Interests and Dealings – General

5.1 Save as disclosed in paragraph 3 (*Interests and dealings in Meggitt Shares*) and paragraph 4 (*Interests and Dealings in Parker Shares*) above and paragraph 6 (*Irrevocable undertakings*) below, as at the Latest Practicable Date:

- (A) no member of the Parker Group had any interest in, right to subscribe in respect of or any short position in relation to any relevant Meggitt securities, nor has any member of the Parker Group dealt in any relevant Meggitt securities during the Disclosure Period;
- (B) none of the Parker Directors had any interest in, right to subscribe in respect of or any short position in relation to any relevant Meggitt securities, nor has any such person dealt in any relevant Meggitt securities or during the Disclosure Period;
- (C) no person acting in concert with Parker had any interest in, right to subscribe in respect of or any short position in relation to any relevant Meggitt securities, nor has any such person dealt in any relevant Meggitt securities, during the Disclosure Period;

- (D) no person who has an arrangement with Parker or any person acting in concert with Parker had any interest in, right to subscribe in respect of or any short position in relation to any relevant Meggitt securities, nor has any such person dealt in any relevant Meggitt securities during the Disclosure Period; and
 - (E) neither Parker nor any person acting in concert with Parker, has borrowed or lent any relevant Meggitt securities (including for these purposes any financial or collateral arrangements) in the Disclosure Period, save for any borrowed shares which have been either on-lent or sold.
- 5.2 Save as disclosed in paragraph 3 (*Interests and dealings in Meggitt Shares*) and paragraph 4 (*Interests and dealings in Parker Shares*) above, as at the Latest Practicable Date:
- (A) no member of the Meggitt Group had any interest in, right to subscribe in respect of or any short position in relation to relevant Parker securities, nor has any such person dealt in any relevant Meggitt securities or relevant Parker securities during the Offer Period;
 - (B) none of the Meggitt Directors had any interest in, right to subscribe in respect of or any short position in relation to any relevant Meggitt securities or Parker securities, nor has any such person dealt in any relevant Meggitt securities or relevant Parker securities during the Offer Period;
 - (C) no person acting in concert with Meggitt had any interest in, right to subscribe in respect of or any short position in relation to any relevant Meggitt securities, nor has any such person dealt in any relevant Meggitt securities or relevant Parker securities during the Offer Period;
 - (D) no person who has an arrangement with Meggitt had any interest in, right to subscribe in respect of or any short position in relation to any relevant Meggitt securities, nor has any such person dealt in any relevant Meggitt securities or relevant Parker securities during the Offer Period; and
 - (E) neither Meggitt nor any person acting in concert with Meggitt has borrowed or lent any relevant Meggitt securities, save for any borrowed shares which have been either on-lent or sold.
- 5.3 Save as disclosed in paragraph 6 (*Irrevocable undertakings*) below, no person has given any irrevocable or other commitment to vote in favour of the Scheme or the Special Resolution to be proposed at the General Meeting.
- 5.4 Save as disclosed herein, none of: (i) Parker or any person acting in concert with Parker; or (ii) Meggitt or any person acting in concert with Meggitt, has any arrangement in relation to relevant Parker securities or relevant Meggitt Securities.
- 5.5 Save as disclosed herein, no agreement, arrangement or understanding (including any compensation arrangement) exists between Parker or any person acting in concert with Parker and any of the Meggitt Directors or the recent directors, shareholders or recent shareholders of Meggitt having any connection with or dependence upon or which is conditional upon the Acquisition.
- 5.6 There is no agreement, arrangement or understanding whereby the beneficial ownership of any Meggitt Shares to be acquired by Parker pursuant to the Scheme will be transferred to any other person.
- 5.7 No relevant Meggitt Securities have been redeemed or purchased by Meggitt during the Disclosure Period.

6. Irrevocable undertakings

Parker has received irrevocable support for the Acquisition from the Meggitt Directors in respect of those Meggitt Shares that they hold and the voting rights of which they control, amounting to, in aggregate, 409,790 Meggitt Shares (representing approximately 0.05 per cent. of the issued ordinary share capital of Meggitt) as at the Latest Practicable Date, as set out below.

Copies of the irrevocable undertakings are available on Meggitt's website at www.meggittoffer.com and will remain on display until the end of the Offer Period.

Irrevocable undertakings given by the Meggitt Directors

The Meggitt Directors have given irrevocable undertakings to vote in favour of the resolutions relating to the Acquisition at the Meetings (and, if the Acquisition is subsequently structured as a Takeover Offer, to accept any Takeover Offer made by Parker in accordance with the terms of the irrevocable undertakings) in respect of those Meggitt Shares that they hold and in respect of which they control the voting rights:

<i>Name of Meggitt Director</i>	<i>Number of Shares in respect of which undertaking is given</i>	<i>% of Meggitt's issued share capital (excluding shares under option)</i>
Sir Nigel Rudd	250,000	0.03
Colin Day	76,937	0.01
Antony Wood	47,225	0.01
Guy Berruyer	13,000	0.00
Louisa Burdett	8,628	0.00
Alison Goligher	6,000	0.00
Caroline Silver	5,000	0.00
Guy Hachey	3,000	0.00
Nancy Gioia	NIL	0.00
Total	409,790	0.05

These irrevocable undertakings also extend to any shares acquired by the Meggitt Directors as a result of the vesting of awards or the exercise of options under the Meggitt Share Plans.

In view of the nature of the arrangements governing: (i) Guy Berruyer's holding of a further 25,000 Meggitt Shares beyond those Meggitt Shares set out against his name above; and (ii) Nancy Gioia's holding of 3,188 Meggitt Shares, (such Meggitt Shares, the "**Additional Meggitt Shares**"), under the terms of the irrevocable undertakings given by Guy Berruyer and Nancy Gioia, Guy Berruyer and Nancy Gioia have each undertaken to use their reasonable endeavours to procure that their holdings of Additional Meggitt Shares are voted in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting.

The obligations of the Meggitt Directors under the irrevocable undertakings shall lapse and cease to have effect on and from the earlier of the following occurrences:

- (A) Parker announces that it does not intend to make or proceed with the Acquisition and no new, revised or replacement Takeover Offer or Scheme is announced in accordance with Rule 2.7 of the Takeover Code at the same time;
- (B) if the Takeover Offer or Scheme lapses or is withdrawn and no new, revised or replacement Takeover Offer or Scheme has been announced, in accordance with Rule 2.7 of the Takeover Code, in its place or is announced, in accordance with Rule 2.7 of the Takeover Code, at the same time; or
- (C) any competing offer for the entire issued and to be issue share capital of Meggitt becomes or is declared wholly unconditional or, if proceeding by way of a scheme of arrangement, becomes effective.

7. Directors' service agreements and letters of appointment

7.1 Executive Directors' service contracts

Set out below are details of the service contracts of the Executive Directors:

<i>Name of Executive Director</i>	<i>Date of service contract</i>	<i>Effective date of appointment</i>	<i>Notice period</i>
Antony Wood	13 November 2017	1 January 2018 ⁽¹⁾	12 months by employer, six months by employee ⁽²⁾
Louisa Burdett	17 September 2018	22 October 2018	12 months by employer, six months by employee ⁽³⁾

(1) Antony Wood was appointed Chief Operating Officer with effect from 1 December 2016 prior to being appointed Chief Executive Officer with effect from 1 January 2018.

(2) As Antony Wood's service contract will continue unless terminated, there is no unexpired term for his appointment.

(3) As Louisa Burdett's service contract will continue unless terminated, there is no unexpired term for her appointment.

(A) Antony Wood's appointment as Chief Executive Officer commenced on 1 January 2018 and he is currently engaged under a service agreement with Meggitt dated 13 November 2017, pursuant to which his current annual base salary is £663,000. Louisa Burdett's appointment as Chief Financial Officer commenced on 22 October 2018 and she is currently engaged under a service agreement with Meggitt dated 17 September 2018, pursuant to which her current annual base salary is £420,000. Each Meggitt Executive Director's base salary is generally reviewed (but not necessarily increased) annually.

(B) The Chief Executive Officer is eligible to receive a Meggitt pension contribution equal to 18 per cent. of his base salary. The Chief Financial Officer is eligible to receive a Meggitt pension contribution of 17.5 per cent. of her base salary. Both will be reduced to 15 per cent. of base salary by the end of 2022. Each Meggitt Executive Director can elect to receive a cash allowance in lieu of pension benefits (subject to deductions for tax and national insurance contributions).

(C) Benefits available to the Meggitt Executive Directors include private medical insurance, permanent health insurance, life insurance, car allowance and a fuel allowance.

(D) The Meggitt Executive Directors are eligible to participate in Meggitt's annual bonus scheme, subject to the approval of the Meggitt Remuneration Committee. The maximum potential annual bonus for each of the Meggitt Executive Directors is 150 per cent. of salary. 75 per cent. of the bonus is paid in cash, with the remaining 25 per cent. deferred into shares and released after two years.

(E) The Meggitt Executive Directors are eligible to receive benefits as a result of their being included in the LTIP, subject to the approval of the Meggitt Remuneration Committee. The maximum LTIP participation is 250 per cent. of base salary (or 300 per cent. of base salary in exceptional circumstances). The Meggitt Executive Directors are also eligible to participate in the Sharesave and SIP, up to maximum limits set by applicable tax legislation.

(F) As each Meggitt Executive Director's service agreement can be terminated at will, their service agreements have no fixed expiry date. The appointment of the Meggitt Executive Directors is terminable: (i) on 6 months' notice where the Meggitt Executive Director resigns without good reason; (ii) on 12 months' notice where their employment is terminated by Meggitt without cause; or (iii) with immediate effect in specified circumstances, including in the event of the Meggitt Executive Director's misconduct or fault, in which case they will be not be entitled to any payment other than amounts accrued but unpaid as at termination. In addition, at any point after notice in (ii) is given, Meggitt may terminate the Meggitt Executive Director's appointment with immediate effect and make a payment in lieu of their base salary and contractual benefits (other than accrued holiday and bonuses) to which the Meggitt Executive Director would have been entitled during the unexpired period of notice, which will be paid in monthly instalments.

- (G) Each Meggitt Executive Director is subject to post-termination restrictions for a period of 12 months after termination (less any period of garden leave).

7.2 **Chairman and other non-executive Meggitt Directors**

The non-executive Meggitt Directors have entered into letters of appointment. The appointment of each non-executive Meggitt Director is subject to their continued satisfactory performance and re-election at Annual General Meetings of the Company.

Each non-executive Meggitt Director's letter of appointment is terminable by either party on one month's written notice. They may also cease to hold office as a director in accordance with the Articles of Association. In the event that a non-executive Meggitt Director retires and is not re-elected, their appointment will terminate immediately. Each non-executive Meggitt Director's letter of appointment is also terminable by the Meggitt Board with immediate effect without payment of compensation if the non-executive Meggitt Director: (i) commits a material or serious breach or non-observance of their obligations to Meggitt, including a breach of their statutory, fiduciary, contractual or common-law duties; (ii) is guilty of any fraud or dishonesty or has acted in a manner which, in the opinion of the Meggitt Board, brings or is likely to bring the non-executive Meggitt Director or the Company into disrepute; (iii) is convicted of a criminal offence (other than an offence under road traffic legislation); or (iv) is declared bankrupt or is disqualified from acting as a director.

Under letters of appointment, the non-executive Meggitt Directors are typically appointed for an initial three-year term and expected to serve two three-year terms, which may be extended for a further three-year term subject to invitation by the Meggitt Board and re-election by Meggitt Shareholders.

<i>Name of Director</i>	<i>Date appointed Director</i>	<i>Original letter of appointment date</i>	<i>Fees (per annum) (£'000)</i>
Sir Nigel Rudd (<i>Chairman</i>)	1 March 2015	16 December 2014	364 ⁽¹⁾
Guy Berruyer	2 October 2012	25 September 2012	60
Colin Day	1 October 2015	1 October 2015	71 ⁽²⁾
Nancy Gioia	27 April 2017	8 December 2016	71 ⁽³⁾
Alison Goligher OBE	30 October 2014	9 July 2014	82 ⁽⁴⁾
Guy Hachey	1 January 2019	30 October 2018	60
Caroline Silver	25 April 2019	21 January 2019	60

(1) Excluding additional benefits of £20,000 per annum for secretarial and car services required for business purposes.

(2) Includes additional fee for chairing Audit Committee.

(3) Includes additional fee for chairing Corporate Responsibility Committee and for being the non-executive Director responsible for Employee Engagement.

(4) On 29 April 2021, Alison Goligher was appointed Senior Independent Director. Her remuneration prior to such appointment was £71,000, comprising the base fee for a non-executive Director of £60,000 and the additional £11,000 fee for chairing the Remuneration Committee. Upon her appointment as Senior Independent Director her remuneration was increased to £82,000 to include the fee of £11,000 for acting as Senior Independent Director.

Meggitt also maintains directors' and officers' insurance for the benefit of each Meggitt Director. Meggitt has also granted an indemnity for the benefit of each Meggitt Director, indemnifying each Meggitt Director against certain losses in respect of acts or omissions whilst in the course of their acting as a Meggitt Director.

7.3 **Other service agreements**

Save as disclosed above there are no service contracts or letters of appointment, between any Meggitt Director or proposed director of Meggitt and any member of the Meggitt Group and no such contract or letter of appointment has been entered into or amended within the six months preceding the date of this Document.

- 7.4 Save as set out in paragraph 9 of Part I (*Letter from the Chairman of Meggitt*), the effect of the Scheme on the interests of the Meggitt Directors does not differ from its effect on the like interests of any other holder of Scheme Shares.

7.5 **Policy on payment for loss of office**

Rather than an Executive Director serving out their full notice period, Meggitt may terminate an Executive Director's appointment with immediate effect and make a payment in lieu of their base salary and contractual benefits (pensions allowance, health insurance and company car or car allowance) to which the Executive Director would have been entitled during the unexpired period of notice, which will be paid in monthly instalments and will be subject to mitigation, such that payments will either reduce, or stop completely, if the Executive Director obtains alternative employment.

Meggitt may terminate an Executive Director's appointment without notice or payment in lieu of notice in specific circumstances including summary dismissal, bankruptcy or resignation.

An Executive Director has no automatic entitlement to any bonus on termination of employment under the Meggitt Short Term Incentive Plan, but the Meggitt Remuneration Committee may use its discretion to award a bonus.

Where any bonus is deferred into shares, the award will normally lapse if an Executive Director's employment terminates unless the Executive Director leaves for specified 'good leaver' reasons. The 'good leaver' reasons include death, redundancy, retirement, injury, disability, the business or company which employs the Executive Director ceasing to be part of the Meggitt Group or any other circumstances in which the Meggitt Remuneration Committee exercises discretion to treat the Executive Director as a 'good leaver'. If the Executive Director is a 'good leaver', their award will vest on the normal vesting date and will not be subject to pro-rating.

LTIP awards will normally lapse if an Executive Director's employment terminates, unless the Executive Director leaves for specified 'good leaver' reasons. The 'good leaver' reasons include those described above. If the Executive Director is a 'good leaver', awards will vest on the normal vesting date, to the extent that the attached performance conditions are met, but on a time pro-rated basis, subject to the Meggitt Remuneration Committee's discretion to allow early vesting.

7.6 **Amendments, other contracts and other compensation**

Save as disclosed above, there are no other contracts of service between the Meggitt Directors and the Company or any of its subsidiaries.

Save as disclosed in this paragraph 7:

- (A) no Meggitt Director is entitled to commission or profit sharing arrangements;
- (B) neither the service contract nor any of the letters of appointment set out in this paragraph 7 have been entered into or amended during the six months prior to the date of this Document; and
- (C) other than statutory compensation and payment in lieu of notice, no compensation is payable by the Company to any Meggitt Director upon early termination of their employment or appointment.

8. **Market quotations**

The following table shows the Closing Price for Meggitt Shares as derived from the Official List for the first Business Day of each of the six months before the date of this Document, for 30 July 2021 (being the last Business Day prior to the commencement of the Offer Period) and for the Latest Practicable Date:

<i>Date</i>	<i>Meggitt Share price (p)</i>
4 January 2021	445.1
1 February 2021	405.1
1 March 2021	440.7
1 April 2021	490.5
4 May 2021	455.0
1 June 2021	509.4
1 July 2021	468.4
30 July 2021	469.1
13 August 2021	819.0

9. Material contracts

9.1 *Meggitt material contracts*

Save as disclosed below, no member of the Meggitt Group has, during the period beginning 2 August 2019 (being two years prior to the commencement of the Offer Period) 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, and which are or may be material, have been entered into by members of the Meggitt Group during the period beginning 2 August 2019 (being two years prior to the commencement of the Offer Period) and ending on the Latest Practicable Date.

Disposal of MTS

SPA

On 30 June 2020 (the “**Closing Date**”), Meggitt Properties PLC and Meggitt-USA, Inc. (the “**Sellers**”) entered into a stock purchase agreement (the “**SPA**”) with Sprint Intermediate Holding III LLC (the “**Buyer**”) to sell their interests in Meggitt Training Systems Australia Pty Ltd, Meggitt Training Systems (Quebec) Inc., Meggitt Training Systems Europe BV, Meggitt Training Systems Pte Ltd, Meggitt Training Systems Ltd (Including Meggitt Training Systems Ltd – Abu Dhabi Branch) and Meggitt Training Systems Inc. (and their respective subsidiaries, if any) (the “**Transferred Companies**”) for cash consideration of US\$146,000,000 (subject to certain closing adjustments).

In addition to customary representations and warranties given by the parties, the SPA also contained: (i) restrictions on using or disclosing confidential information regarding the Sellers retained by the Transferred Companies; (ii) a mutual undertaking not to solicit employees, customers and suppliers for three years after the Closing Date; and (iii) a five-year no-compete provision pursuant to which the Sellers agreed not to directly or indirectly compete with the Transferred Companies in the provision of small arms virtual and live fire training systems and their components and related training services. The SPA is governed by the laws of the State of Delaware, USA, and the exclusive forum for any litigation arising from the SPA is the Chancery Court of the State of Delaware.

TSA

In addition, under the terms of the SPA the parties also entered into a transitional services agreement (“**TSA**”), which requires the Sellers and certain of their affiliates (the “**Service Providers**”) to continue to provide services to the Target Companies, and certain of the Target Companies to continue to provide services to certain of the Sellers’ affiliates (the “**Service Recipients**”). Services may be terminated on an individual basis by a Service Recipient providing written notice to the Service Provider. The provision of all transition activities is to be completed as soon as possible, and wherever practical accelerated. The Service Recipients agreed to use commercially reasonable efforts to transition each service either to their own internal providers, or to suitable third-party providers as soon as practicable following execution of the TSA.

Note Purchase Agreement

On 19 November 2020, Meggitt Holdings (USA) Inc. (the “**Issuer**”) and the Company entered into a US\$300 million note purchase and guarantee agreement (the “**NPA**”) with Cigna Health and Life Insurance Company, State Farm Life and Accident Assurance Company, State Farm Life Insurance Company, Metropolitan Tower Life Insurance Company, The Savings Bank Mutual Life Insurance Company of Massachusetts, Metropolitan Life Insurance Company, Metropolitan Property and Casualty Insurance Company, United of Omaha Life Insurance Company, Hartford Accident and Indemnity Company, Talcott Resolution Life Insurance Company, Navigators Insurance Company, Hartford Life and Accident Insurance Company, Commonwealth Annuity and Life Insurance Company, Hartford Accident and Indemnity Company, Talcott Resolution Life Insurance Company, Modern Woodmen of America, Southern Farm Bureau Life Insurance Company, Knights of Columbus, Athene Annuity & Life Assurance Company, Jackson National Life Insurance Company, Massachusetts Mutual Life Insurance Company, Royal Neighbors of America, Jackson National Life Insurance Company of New York, Assurity Life Insurance

Company, The Guardian Life Insurance Company of America, Catastrophe Reinsurance Company, USAA Casualty Insurance Company, USAA General Indemnity Company, Garrison Property & Casualty Insurance Company and USAA Life Insurance Company (the “**Purchasers**”).

The Issuer issued, and the Purchasers purchased, loan notes under the NPA comprising: (a) US\$100 million 2.78 per cent. senior notes due 19 November 2023 (the “**Series A Notes**”); and (b) US\$200 million 3.00 per cent. senior notes due 19 November 2025 (the “**Series B Notes**”) (the Series A Notes and Series B Notes, together, the “**Notes**”). The Issuer’s obligations in respect of the Notes are guaranteed by the Company. The NPA contains various financial covenants and imposes ongoing obligations on the Issuer, the Company and its subsidiaries. Other material terms include:

- (A) Repayment: subject to a mandatory prepayment offer to the Purchasers upon occurrence of a change of control or a Noteholder Sanctions Event (as defined in the NPA) and to voluntary prepayment, the Notes mature on the dates stated above;
- (B) Rate of interest: the rate of interest on the Notes may be increased bi-annually according to information published in an officer’s certificate to be delivered by the Company every fiscal half-year (each an “**Officer’s Certificate**”):
 - (i) until two Officer’s Certificates have been delivered, where the ratio of Net Debt to EBITDA for the previous two fiscal half-years exceeds 2.75:1.00, and:
 - (a) where the ratio of Net Debt to EBITDA for the two previous fiscal half-years exceeded 2.75:1.00 (but not in excess of 3.00:1.00), by 0.50 per cent. per annum for the most recent interest period; and
 - (b) where the ratio of Net Debt to EBITDA for the two previous fiscal half-years exceeded 3.00:1.00, by 1.00 per cent. per annum for the most recent interest period,such increases not applying cumulatively; and
 - (ii) at any time, from and including the last day of any fiscal half-year on which the ratio of Net Debt to EBITDA for the two fiscal half-years then ended exceeds 3.50:1.00 but excluding the last day of the first fiscal half-year on which the ratio of Net Debt to EBITDA for the two fiscal half-years then ended shall equal or be less than 3.50:1.00, by 0.75 per cent. per annum; and
- (C) Governing law and jurisdiction: the NPA is governed by the laws of the State of New York. The courts of the New York State or the federal court sitting in the Borough of Manhattan, The City of New York, have non-exclusive jurisdiction.

BofA Term Loan

On 24 December 2019, Meggitt Holdings (USA) Inc. (as borrower) and the Company and Meggitt Finance Limited (the “**Guarantors**”) entered into a US\$125 million term loan facility (as amended, the “**BofA Term Loan**”), capable of being drawn in two tranches, with Bank of America, N.A., London Branch as the original bank and agent. The facility was amended on 25 June 2020 to, among other things, extend the term of the facility to 30 June 2023 and to amend the rates of interest (as set out below). The BofA Term Loan contains financial covenants and ongoing obligations on Meggitt Holdings (USA) Inc. and the Guarantors, and its principal terms include:

- (A) Purpose: the BofA Term Loan is to be applied for the general corporate purposes of the Company and its subsidiaries, including refinancing of existing indebtedness;
- (B) Term: until 30 June 2023, which is contractually capable of being extended by up to 24 months pursuant to extension requests, each issued in respect of one 12-month extension;

- (C) Repayment: subject to mandatory prepayment upon the occurrence of a change of control and voluntary prepayment, and any extension of the term, the final maturity date of the BofA Term Loan is as set out in (B) above;
- (D) Rate of interest: LIBOR plus the Margin (as defined below), subject to a minimum aggregate rate of 0.25 per cent. per annum. The “**Margin**” is:
 - (i) for so long as an Event of Default is continuing, 2.30 per cent. per annum; otherwise
 - (ii) until delivery of a certificate setting out, amongst other things, compliance with financial covenants (the “**Margin Notice**”), 0.95 per cent. per annum; and
 - (iii) after delivery of the first Margin Notice, a rate dependent upon the ratio of Net Debt to EBITDA which, at the highest ratios, has a value of 2.30 per cent. per annum and, at the lowest ratios, has a value of 0.85 per cent. per annum; and
- (E) Governing law and jurisdiction: English law. The courts of England and Wales have exclusive jurisdiction.

Caixa Term Loan Facility Agreement

On 24 December 2019, Meggitt Finance Limited (as borrower) and the Company and Meggitt Holdings (USA) Inc. (the “**Guarantors**”) entered into a £45 million term loan facility (the “**Caixa Term Loan**”), capable of being drawn in two tranches, with CaixaBank S.A., UK Branch as original bank and agent. The Caixa Term Loan contains financial covenants and ongoing obligations on Meggitt Finance Limited and the Guarantors, and its principal terms include:

- (A) Purpose: the Caixa Term Loan is to be applied for the general corporate purposes of the Company and its subsidiaries, including refinancing of existing indebtedness;
- (B) Term: the original term was three years from the date of the first utilisation request delivered under the Caixa Term Loan, which was extended pursuant to an extension request on 19 October 2020 for an additional 12 months, and is contractually capable of being extended by an additional 12 months;
- (C) Repayment: subject to mandatory prepayment upon the occurrence of a change of control, voluntary prepayment, and any extension, the final maturity date of the Caixa Term Loan is as set out in (B) above;
- (D) Rate of interest: LIBOR plus 0.85 per cent. per annum, subject to a minimum aggregate rate of 0.25 per cent. per annum; and
- (E) Governing law and jurisdiction: English law. The courts of England and Wales have exclusive jurisdiction.

Syndicated Revolving Credit Facility

On 11 May 2020, the Company, Meggitt Finance Limited and Meggitt Holdings (USA) Inc. (the “**Meggitt Companies**”) (as borrowers) entered into a multicurrency committed revolving credit facility with a total commitment of US\$575 million, of which up to US\$200 million could be drawn as a committed Dollar swingline advance facility (the “**RCF**”), with, amongst others, Bank of America Merrill Lynch International Designated Activity Company, Bank of China Limited, London Branch, Barclays Bank PLC, BNP Paribas, London Branch, Credit Industriel et Commercial, London Branch, HSBC UK Bank PLC, Sumitomo Mitsui Banking Corporation, London Branch, Wells Fargo Bank, N.A. London Branch and Commerzbank Aktiengesellschaft, London Branch as original banks, HSBC Bank PLC as Agent and HSBC Bank USA N.A. as U.S. Swingline Agent. The Meggitt Companies are also the current guarantors under the RCF.

The RCF contains various financial covenants and imposes ongoing obligations on the Meggitt Companies, in their capacities as borrowers and guarantors, and its principal terms include:

- (A) Purpose: the RCF is to be applied for the general corporate purposes of the Company and its subsidiaries, including but not limited to the refinancing of existing indebtedness;

- (B) Term: until 24 September 2022;
- (C) Repayment: subject to mandatory prepayment upon the occurrence of a change of control and voluntary prepayment, the final maturity date of the RCF is the date set out in (B) above;
- (D) Rate of interest: LIBOR (or EURIBOR for loans denominated in euros) plus the Margin (as defined below), subject to default rates of an additional 1 per cent. per annum. The “**Margin**” is:
 - (i) for loans made under the committed Dollar swingline advance facility, such rate of interest determined by the U.S. Swingline Agent; and
 - (ii) otherwise:
 - (a) for so long as an Event of Default is continuing, 2.10 per cent. per annum; otherwise
 - (b) until delivery of a certificate setting out, amongst other things, compliance with financial covenants (the “**Margin Notice**”), 0.75 per cent. per annum; and
 - (c) after delivery of the first Margin Notice, a rate dependent upon the ratio of Net Debt to EBITDA which, at the highest ratios, has a value of 2.10 per cent. per annum and, at the lowest ratios, has a value of 0.65 per cent. per annum; and
- (E) Governing law and jurisdiction: English law. The courts of England and Wales have exclusive jurisdiction.

SMBC Term Loan Facility Agreement

On 24 June 2020, Meggitt Finance Limited (as borrower) and the Company and Meggitt Holdings (USA) Inc. (the “**Guarantors**”) entered into a £100 million term loan facility (as amended, the “**SMBC Term Loan**”), capable of being drawn in two tranches, with Sumitomo Mitsui Banking Corporation, London Branch as the original bank and agent. The facility was amended on 15 June 2021 (with effect from 1 July 2021) to, amongst other things, reduce the available facility to £50 million. The SMBC Term Loan contains financial covenants and ongoing obligations on Meggitt Finance Limited and the Guarantors, and its principal terms include:

- (A) Purpose: the SMBC Term Loan is to be applied for the general corporate purposes of the Company and its subsidiaries, including the refinancing of existing indebtedness;
- (B) Term: the original term was until 27 January 2023, which was extended pursuant to an extension request on 25 September 2020 until 27 January 2024, and is contractually capable of being extended by an additional 12 months;
- (C) Repayment: subject to mandatory prepayment upon the occurrence of a change of control, voluntary prepayment, and any extension, the final maturity date of the SMBC Term Loan is as set out in (B) above;
- (D) Rate of interest: LIBOR plus the Margin (as defined below), subject to a minimum aggregate rate of 0.25 per cent. per annum and to default rates of an additional 1 per cent. per annum. The “**Margin**” is:
 - (i) for so long as an Event of Default is continuing, 2.35 per cent. per annum; otherwise
 - (ii) until delivery of a certificate setting out, amongst other things, compliance with financial covenants (the “**Margin Notice**”), 0.90 per cent. per annum; and
 - (iii) after delivery of the first Margin Notice, a rate dependent upon the ratio of Net Debt to EBITDA which, at the highest ratios, has a value of 2.35 per cent. per annum and, at the lowest ratios, has a value of 0.80 per cent. per annum; and:
- (E) Governing law and jurisdiction: English law. The courts of England and Wales have exclusive jurisdiction.

9.2 **Parker material contracts**

Save as disclosed below, no member of the Parker Group has, during the period beginning 2 August 2019 (being two years prior to the commencement of the Offer Period) 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, and which are or may be material, have been entered into by members of the Parker Group during the period beginning 2 August 2019 (being two years prior to the commencement of the Offer Period) and ending on the Latest Practicable Date.

Bridge Facility Agreement

Description of Bridge Facility and parties

In order to finance the cash consideration payable under the terms of the Scheme together with certain fees and expenses in connection with the Acquisition, Parker entered into a New York law governed GBP6,524,000,000 committed term loan bridge facility agreement dated 2 August 2021 as borrower, with Citibank, N.A. and Citicorp North America, Inc. as lenders, and Citibank, N.A. as administrative agent, sole lead arranger and sole bookrunner (the “**Bridge Facility Agreement**”).

Citibank, N.A. and Citicorp North America, Inc. are original lenders under the Bridge Facility Agreement, and will seek to syndicate their commitments, including during the Certain Funds Period (as defined in the Bridge Facility Agreement). Parker has full discretion to refuse to consent to a transfer of an existing lender’s commitments during the Certain Funds Period, subject to limited exceptions (such as transfers to existing lenders, if a Certain Funds Event of Default (as defined in the Bridge Facility Agreement) has occurred or pursuant to an agreed syndication strategy).

Maturity

The Bridge Facility has a final maturity date on the date falling 364 days after the initial drawdown under the Bridge Facility.

Guarantees and security

Parker is party to the Bridge Facility Agreement as borrower. There are no guarantees of the Bridge Facility and it is unsecured.

Prepayment

Subject to certain conditions, Parker may voluntarily prepay loans under the Bridge Facility Agreement by giving the administrative agent notice of not less than three Business Days before the Business Day of the prepayment. Any such prepayment shall be in a minimum amount of GBP10,000,000 and in increments of GBP1,000,000 above this.

The Bridge Facility Agreement provides that any unused portion of the Bridge Facility shall cease to be available upon the expiry of the Certain Funds Period.

If Parker or its subsidiaries receive net cash proceeds from equity issuances, debt incurrences or dispositions (in each case, subject to certain exclusions), Parker shall use such proceeds to cancel any commitments or prepay any loans under the Bridge Facility.

Interest

Interest is payable under the Bridge Facility Agreement at a rate of the Applicable Rate plus daily simple SONIA.

The Applicable Rate is determined on the basis of Parker’s credit rating and the time which has elapsed since the closing date, and it ranges between 1.0326 per cent. and 2.4076 per cent.

Financial ratio

Under the Bridge Facility Agreement, Parker covenants from the last day of the second full fiscal quarter of Parker occurring after the closing date, at any time that Parker is not able to maintain a credit rating with Moody's, S&P and Fitch of A3, A- and A- (or better), respectively, that Parker will not permit the Debt to Capitalization Ratio (as of the last day of any fiscal quarter of Parker) to exceed 0.65 to 1.00, on a consolidated basis.

Covenants

The Bridge Facility Agreement contains certain restrictive covenants (binding on Parker extending to its subsidiaries), including, among others, limitations on: consolidations, amalgamations and mergers; the sale of assets; the creation of security; changes in business; and the entering into of transactions with its affiliates.

New Credit Agreement

On 4 September 2019, Parker entered into a Credit Agreement (the "**Credit Agreement**") between Parker, the lenders party thereto and KeyBank National Association, as administrative agent. The Credit Agreement provided for a senior unsecured delayed-draw term loan facility in an aggregate principal amount of US\$925 million (the "**Term Loan Facility**"). The proceeds of the Term Loan Facility were to be used solely by Parker to finance its acquisition of all outstanding capital stock of EMFCO Holdings Incorporated (the "**EMFCO Acquisition**").

Commitments under the Term Loan Facility were due to terminate on the first to occur of (i) the date on which the Acquisition was consummated, (ii) the valid termination of the obligations of Parker or any of its subsidiaries to consummate the EMFCO Acquisition, (iii) 26 July 2020 (or as extended in accordance with the provisions of the Credit Agreement) and (iv) the early termination of the commitments in accordance with the provisions of the Credit Agreement. The Term Loan Facility was unsecured and was not guaranteed by any subsidiary of Parker. The outstanding amounts under the Term Loan Facility were finally repaid in full during the three months ended 31 December 2020 and the Credit Agreement has therefore been terminated in accordance with its terms.

Loans under the Term Loan Facility were due to mature on the date that was one day before the four-year anniversary of the funding of such Term Loan Facility, and bore interest, at Parker's option, at either the LIBOR Fixed Rate (determined in accordance with the Credit Agreement) or the Base Rate (determined in accordance with the Credit Agreement), in each case plus a per annum applicable rate that was able to fluctuate between 75.0 basis points and 137.5 basis points, in the case of loans priced at the LIBOR Fixed Rate, and between 0.0 basis points and 37.5 basis points, in the case of loans priced at the Base Rate, based upon the long-term unsecured senior, non-credit enhanced debt ratings of Parker by Moody's, Standard & Poor's and Fitch, subject to certain provisions taking into account potential differences in ratings issued by the relevant ratings agencies or a lack of ratings issued by such ratings agencies (the "**Ratings**"). Parker was required to pay a ticking fee, which accrued at a per annum rate that was able to fluctuate between 6.0 basis points and 17.5 basis points based on the Ratings, on the actual daily amount of the undrawn aggregate commitments of the lenders in respect of the Term Loan Facility, accruing during the period commencing 60 days after September 4, 2019, and ending on the Availability Date (as defined in the Credit Agreement).

The Credit Agreement contained certain customary representations and warranties, affirmative and negative covenants, and events of default. Negative covenants included, among others, limitations on the incurrence of liens by Parker and its subsidiaries. In addition, commencing on and after the first fiscal quarter end date occurring after the funding of the Term Loan Facility, at any time that Parker was not able to maintain certain specified Ratings, Parker was not to permit its Debt to Capitalization Ratio (as defined in the Credit Agreement) to exceed 0.65 to 1.00 (as of the last day of any fiscal quarter). If any of the events of default had occurred and were not cured within applicable grace periods or waived, any unpaid amounts under the Credit Agreement may have been declared immediately due and payable.

Amendment to Existing Credit Agreement

On 4 September 2019, Parker entered into a First Amendment Agreement (the “**Amendment**”), among Parker, the lenders party thereto and KeyBank National Association, as administrative agent, which amends that certain credit agreement, dated 22 May 2019, between Parker, the lenders party thereto and KeyBank National Association, as administrative agent (the “**Existing Credit Agreement**”). The Amendment amended the Debt to Capitalization Ratio (as defined in the Existing Credit Agreement) financial covenant to provide that if Parker is not able to maintain certain specified Ratings, Parker may not permit its Debt to Capitalization Ratio to exceed 0.65 to 1.00 (as of the last day of any fiscal quarter).

10. Offer-related arrangements and Memorandum of Understanding

Confidentiality Agreement

See paragraph 12 of Part II (*Explanatory Statement*) of this Document for further details on the Confidentiality Agreement.

Cooperation Agreement

See paragraph 12 of Part II (*Explanatory Statement*) of this Document for further details on the Cooperation Agreement.

Clean Team Agreement

See paragraph 12 of Part II (*Explanatory Statement*) of this Document for further details on the Clean Team Agreement.

CJDA

See paragraph 12 of Part II (*Explanatory Statement*) of this Document for further details on the CJDA.

Memorandum of Understanding

Parker, the Trustee and Meggitt have entered into the Memorandum of Understanding, which sets out the parties’ agreement with respect to the future funding of the UK DB Pension Plan. Further details of the Memorandum of Understanding are set out under the heading ‘Pensions’ in paragraph 8 of Part I (*Letter from the Chairman of Meggitt*) of this Document.

11. Offer-related fees and expenses

11.1 Fees and Expenses of Parker

The aggregate fees and expenses expected to be incurred by Parker in connection with the Acquisition (excluding any applicable VAT and other taxes) are expected to be £151.1 million-£156.2 million:

<i>Category</i>	<i>Amount (£)⁽¹⁾</i>
Financing arrangements	59.3million ⁽²⁾
Financial and corporate broking advice	24 million
Legal advice	25.4 – 29.5 million ⁽³⁾
Accounting advice	1.5 million
Public relations advice	2 – 3 million ⁽⁴⁾
Other professional services (including, for example, management consultants, actuaries and specialist valuers)	6.7 million ⁽³⁾
Other costs and expenses	32.2 million
Total	151.1 – 156.2 million

(1) The fees and expenses have been and will be incurred by Parker in various different currencies (including, without limitation, AUD, CAD, CHF, EUR and USD), which have been converted into pounds sterling for the purposes of this disclosure using the Bloomberg spot exchange rates as at 12:00 p.m. on the Latest Practicable Date. The actual amount of the fees and expenses incurred on a sterling basis may vary depending on foreign exchange movements during the course of the Offer Period.

- (2) Subject to the final terms and structure of the financing arrangements. Refer to paragraph 7 of Part II (*Explanatory Statement*) paragraph 12 of this Part IX (*Additional Information on Meggitt and Parker*) of this Document for further details of these arrangements.
- (3) Professional fees are charged by reference to hourly rates (or, as applicable, the duration of the provision of the relevant services) and the residual amount of advisory work required in connection with the Acquisition (or, as applicable, the duration of the provision of the relevant services) is uncertain. The total does not include disbursements, applicable VAT or other taxes.
- (4) The final fees and expenses for public relations advice will depend on whether discretionary fees are paid. These discretionary fees are reflected in the amount provided for above.

In addition, stamp duty of 0.5 per cent. on the purchase price of the Meggitt Shares acquired pursuant to the Acquisition will be payable by Parker.

11.2 **Meggitt Fees and Expenses**

The aggregate fees and expenses expected to be incurred by Meggitt in connection with the Acquisition (excluding any applicable VAT and other taxes) are expected to be £55 million:

<i>Category</i>	<i>Amount (£)</i>
Financial and corporate broking advice	43 million ⁽¹⁾
Legal advice	9.6 million ⁽²⁾
Public relations advice	840,000
Other professional services (including, for example, management consultants, actuaries and specialist valuers)	1.35 million
Other costs and expenses	264,000 ⁽³⁾
Total	55 million

- (1) The total amount payable in respect of the aggregate fees and expenses for these services depends on whether the Acquisition becomes Effective. The total does not include disbursements.
- (2) Amount includes disbursements, including for counsel's fees for services in connection with the court process relating to the Scheme. Legal fees are charged by reference to hourly rates (or, as applicable, the duration of the provision of the relevant services) and the residual amount of advisory work required in connection with the Acquisition (or, as applicable, the duration of the provision of the relevant services) is uncertain.
- (3) Amount includes costs of printing, use of the Virtual Meeting Platform, data room costs, fees payable to the London Stock Exchange and fees relating to the advertisement of the Notice of Court Meeting in The Telegraph.

12. **Financing arrangements relating to Parker**

The cash consideration payable by Parker under the terms of the Acquisition, together with certain fees and expenses in connection with the Acquisition, is expected to be funded by a combination of cash resources, borrowing under debt facilities to be entered into or otherwise available to Parker and net proceeds of debt securities to be issued by Parker. Nothing in this announcement shall constitute the offer for sale of any securities. In support of its obligations to pay the cash consideration and such fees and expenses, Parker has entered into the Bridge Facility. Further details of the Bridge Facility are set out in paragraph 7 of Part II (*Explanatory Statement*).

13. **Cash confirmation**

Citi, as financial adviser to Parker, is satisfied that sufficient resources are available to Parker to satisfy in full the cash consideration payable to Meggitt Shareholders under the terms of the Scheme.

14. **Persons acting in concert**

14.1 In addition to the Parker Directors (together with their close relatives and related trusts), and members of the Parker Group, the persons who, for the purposes of the Takeover Code, are acting in concert with Parker are:

<i>Name</i>	<i>Address/Registered Office</i>	<i>Relationship with Parker</i>
Citigroup Global Markets Limited	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom	Connected adviser

- 14.2 In addition to the Meggitt Directors (together with their close relatives and related trusts) and members of the Meggitt Group, the persons who, for the purposes of the Takeover Code, are acting in concert with Meggitt are:

<i>Name</i>	<i>Address/Registered Office</i>	<i>Relationship with Meggitt</i>
N.M. Rothschild & Sons Limited	New Court, St Swithin's Lane, London EC4N 8AL, United Kingdom	Connected adviser
Morgan Stanley & Co. International plc	25 Cabot Square, Canary Wharf, London E14 4QA, United Kingdom	Connected adviser
Merrill Lynch International	2 King Edward St, London, EC1A 1HQ	Connected adviser

15. No significant change

There has been no significant change in the financial or trading position of Meggitt since 30 June 2021, being the date to which the latest interim financial information published by Meggitt was prepared.

16. Consent

Each of Citi, Rothschild & Co, Morgan Stanley and BofA Securities 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 they are included.

17. Documents incorporated by reference

- 17.1 Parts of other documents are incorporated by reference into, and form part of, this Document.
- 17.2 Part V (*Financial and Ratings Information*) of this Document sets out which sections of certain documents are incorporated by reference into, and form part of, this Document.
- 17.3 A person who has received this Document may request a hard copy of such documents incorporated by reference. A copy of any such documents or information incorporated by reference will not be sent to such persons unless requested, free of charge, by calling the Company's registrar, Computershare, on +44 (0)370 703 6210 or by writing to Computershare at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY stating your name, and the address to which the hard copy should be sent.

18. Documents available for inspection

Copies of the following documents will be available for viewing on Meggitt's and Parker's websites at www.meggittoffer.com and www.aerospacegrowth.com respectively by no later than 12:00 p.m. on the Business Day following the date of publication of this Document (subject to any applicable restrictions relating to persons resident in Restricted Jurisdictions):

- (A) this Document;
- (B) the Forms of Proxy;
- (C) the Virtual Meeting Guide;
- (D) the memorandum and articles of association of each of Meggitt and Parker;
- (E) a draft of the articles of association of Meggitt as proposed to be amended at the General Meeting;
- (F) the 2.7 Announcement;
- (G) the financial information relating to Meggitt referred to in Part A of Part V (*Financial and Ratings Information*) of this Document;
- (H) the financial information relating to Parker referred to in Part C of Part V (*Financial and Ratings Information*) of this Document;

- (I) the service agreements and letters of appointment of the Meggitt Directors referred to in paragraph 7 above;
- (J) the written consents referred to in paragraph 16 above;
- (K) the Confidentiality Agreement;
- (L) the Clean Team Agreement;
- (M) the Cooperation Agreement;
- (N) the Bridge Facility Agreement; and
- (O) copies of the irrevocable undertakings referred to in paragraph 6 of this Part IX.

19. Sources of information and bases of calculation

In this Document, unless otherwise stated, or the context otherwise requires, the following bases and sources have been used:

- (A) The financial information on Parker is extracted (without material adjustment) from Parker's Annual Report and Accounts for the year ended 30 June 2020, from Parker's results for the nine months ended 31 March 2021 and from Parker's internal records.
- (B) The financial information on Meggitt is extracted (without material adjustment) from Meggitt's Annual Report and Accounts for the year ended 31 December 2020 and from the announcement of Meggitt's interim results for the six months ended 30 June 2021.
- (C) The value attributed to the existing issued and to be issued ordinary share capital of Meggitt is based upon the 781,389,037 Meggitt Shares in issue on 13 August 2021 (except for the 9,859 Meggitt Shares held as treasury shares on such date) and the 8,778,745 Meggitt Shares which are the subject of share-settled options and awards outstanding on 13 August 2021 and those expected to be granted prior to 31 December 2021, offset by 1,729,836 Meggitt Shares held in Meggitt's employee benefit trust.
- (D) The implied US GAAP Enterprise Value for Meggitt of £7.1 billion incorporates the value attributed to the existing issued and to be issued ordinary share capital of Meggitt set out under sub-paragraph (C), plus total bank and other borrowings of £798.0 million, plus retirement benefit obligations relating to Meggitt's pension and healthcare schemes of £201.1 million (adjusted for an estimated effective tax rate of 22.0 per cent., resulting in estimated tax-adjusted retirement benefit obligations relating to Meggitt's pension and healthcare schemes of £156.9 million), less cash and cash equivalents of £139.3 million, less investments of £19.8 million.
- (E) The implied IFRS Enterprise Value for Meggitt of £7.3 billion incorporates the US GAAP Enterprise Value set out under sub-paragraph (D), plus total lease liabilities of £163.9 million.
- (F) Meggitt's US GAAP EBITDA of £240.6 million for the financial year ended 31 December 2020 is calculated as Meggitt's Underlying EBITDA of £296.9 million, less capitalised R&D development costs of £41.4 million, less capitalised programme participation costs of £1.6 million, less depreciation charges for right-of-use assets in respect of Meggitt's lease liabilities of £16.0 million, plus administrative expenses borne directly by Meggitt in relation to Meggitt's defined benefit pension schemes of £2.6 million, plus past service costs of £0.1 million.
- (G) The implied multiple of Meggitt's US GAAP Enterprise Value to Meggitt's US GAAP EBITDA of 16.3x is calculated with reference to the US GAAP Enterprise Value set out under sub-paragraph (D), divided by US GAAP EBITDA of £436.8 million, calculated as Meggitt's Underlying EBITDA of £507.3 million, less capitalised R&D development costs of £54.7 million, less capitalised programme participation costs of £2.0 million, less depreciation charges for right-of-use assets in respect of Meggitt's lease liabilities of £16.5 million, plus administrative expenses borne directly by Meggitt in relation to Meggitt's defined benefit pension schemes of £2.7 million.
- (H) The implied multiple of Meggitt's US GAAP Enterprise Value to Meggitt's US GAAP EBITDA (including estimated pre-tax synergies of £216 million) of 10.9x is calculated with reference to the US GAAP Enterprise Value set out under sub-paragraph (E), divided by US GAAP EBITDA of

£652.6 million, calculated as Meggitt's Underlying EBITDA of £507.3 million, less capitalised R&D development costs of £54.7 million, less capitalised programme participation costs of £2.0 million, less depreciation charges for right-of-use assets in respect of Meggitt's lease liabilities of £16.5 million, plus administrative expenses borne directly by Meggitt in relation to Meggitt's defined benefit pension schemes of £2.7 million, plus estimated pre-tax synergies of £215.8 million (based on estimated pre-tax synergies of \$300.0 million).

- (I) The implied multiple of Meggitt's IFRS Enterprise Value to Meggitt's IFRS EBITDA of 24.5x is calculated with reference to the IFRS Enterprise Value set out under sub-paragraph (E), divided by IFRS EBITDA of £296.9 million.
- (J) ROIC is calculated as Parker's expected Net Operating Profit After Tax attributable to Meggitt, including the after-tax impact of expected synergies and costs to achieve, divided by the US GAAP Enterprise Value set out under sub-paragraph (D).
- (K) Unless otherwise stated, all market prices for Meggitt Shares are derived from information published by the London Stock Exchange and represent Closing Prices on the relevant date(s).
- (L) The conversion of all figures originally reported in Pounds Sterling into U.S. Dollars has been calculated at an exchange rate of 1.3900, derived from Bloomberg on 30 July 2021 (being the last Business Day prior to the commencement of the Offer Period).
- (M) The conversion of all figures originally reported in U.S. Dollars into Pounds Sterling has been calculated at an exchange rate of 0.7194, derived from Bloomberg on 30 July 2021 (being the last Business Day prior to the commencement of the Offer Period).
- (N) The referenced volume weighted average prices are derived from Bloomberg and refer to trading on the London Stock Exchange only.
- (O) Certain figures in this announcement have been subject to rounding adjustments.

PART X

DEFINITIONS

"2.7 Announcement"	the joint announcement made by Parker and Meggitt on 2 August 2021 in respect of Parker's firm intention to effect the Acquisition;
"2019 Meggitt Annual Report"	the annual report and audited accounts of the Meggitt Group for the 12 months ended 31 December 2019;
"2020 Meggitt Annual Report"	the annual report and audited accounts of the Meggitt Group for the 12 months ended 31 December 2020;
"2021 Meggitt Interim Results"	the interim, unaudited results of the Meggitt Group for the six months ended 30 June 2021;
"Acquisition"	the direct or indirect acquisition of the entire issued and to be issued share capital of Meggitt by Parker (other than Meggitt Shares already held by or on behalf of Parker, if any) to be effected by means of the Scheme (or, should Parker so elect, subject to the terms of the Cooperation Agreement and with the consent of the Panel, by way of a Takeover Offer) and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
"Articles of Association"	the articles of association of Meggitt from time to time;
"associated undertaking"	shall be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations;
"Authorisations"	in relation to a Third Party, regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions or approvals;
"Award"	any award or option under a Meggitt Share Plan;
"BofA Securities"	Merrill Lynch International;
"Bridge Facility Agreement"	has the meaning given in paragraph 9.2 of Part IX (<i>Additional Information on Meggitt and Parker</i>);
"Bridge Facility"	has the meaning given in paragraph 7 of Part II (<i>Explanatory Statement</i>);
"Business Day"	a day (other than a Saturday, Sunday or public holiday in London or New York) on which banks are open for general commercial business in London and New York;
"CADE"	the Administrative Council for Economic Defense of Brazil;
"certificated" or "in certificated form"	a share or other security which is not in uncertificated form (that is, not in CREST);
"CGT"	UK capital gains tax;
"Citi"	Citigroup Global Markets Limited;

“CJDA”	the agreement dated 1 July 2021 between Parker and Meggitt and their respective legal counsel, as described in paragraph 12 of Part II (<i>Explanatory Statement</i>);
“Clean Team Agreement”	the agreement dated 7 July 2021 between Parker and Meggitt, as described in paragraph 12 of Part II (<i>Explanatory Statement</i>);
“Closing Price”	the closing middle market price of a Meggitt Share as derived from the Daily Official List on any particular date;
“CMA”	the Competition and Markets Authority of the United Kingdom;
“Combined Group”	the enlarged group following completion of the Acquisition, comprising the Parker Group and the Meggitt Group;
“Companies Act”	the Companies Act 2006;
“Conditions”	the conditions to the implementation of the Acquisition (including the Scheme) which are set out in Part III (<i>Conditions to the Implementation of the Scheme and to the Acquisition</i>) of this Document;
“Confidentiality Agreement”	the confidentiality agreement entered into between Meggitt and Parker dated 1 July 2021, as described in paragraph 12 of Part II (<i>Explanatory Statement</i>);
“Cooperation Agreement”	the cooperation agreement between Parker and Meggitt dated 2 August 2021, as described in paragraph 12 of Part II (<i>Explanatory Statement</i>);
“Court Meeting”	the meeting of Scheme Shareholders (including any adjournment, postponement or reconvening thereof) convened pursuant to an order of the Court pursuant to section 896 of the Companies Act, notice of which is set out in Part XI (<i>Notice of Court Meeting</i>) of this Document, for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme, including any adjournment, postponement or reconvening thereof;
“Court Order”	the order of the Court sanctioning the Scheme under section 899 of the Companies Act;
“Court Sanction Date”	the date on which the Scheme is sanctioned by the Court;
“Court”	the High Court of Justice in England and Wales;
“CREST Manual”	the CREST Manual published by Euroclear, as amended from time to time;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time (including by means of the Uncertificated Securities (Amendment and EU Exit) Regulations 2019 (SI 2019/679));
“CREST”	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the relevant system (as defined in the CREST Regulations) of which Euroclear is the Operator (as defined in the CREST Regulations);
“Daily Official List”	the daily official list of the London Stock Exchange;
“Danish FDI Regulation”	collectively, Act no. 842 of 10 May 2021, <i>Act on screening of certain foreign direct investments etc.</i> in Denmark (Investment

Screening Act), and Consolidated Act no. 1004 of 22 October 2012, *Consolidated Act on War Material etc.*;

“Dealing Disclosure”	an announcement pursuant to Rule 8 of the Takeover Code containing details of dealings in interests in relevant securities of a party to an offer;
“Disclosed”	the information: (i) disclosed by, or on behalf of Meggitt in the 2020 Meggitt Annual Report; (ii) disclosed by or on behalf of Meggitt in the 2021 Meggitt Interim Results; (iii) disclosed by, or on behalf of Meggitt in the 2.7 Announcement, (iv) disclosed in any other public announcement by, or on behalf of Meggitt in accordance with the Listing Rules, Disclosure Guidance and Transparency Rules of the FCA (as applicable) or otherwise made via a Regulatory Information Service prior to the publication of the 2.7 Announcement; (v) fairly disclosed prior to the date of publication of the 2.7 Announcement by, or on behalf of Meggitt to Parker (or its respective officers, employees, agents or advisers in their capacity as such), including without limitation, in the virtual data room operated by or on behalf of Meggitt in respect of the Acquisition; or (vi) as otherwise fairly disclosed to Parker (or its officers, employees, agents or advisers) prior to the date of the 2.7 Announcement;
“Disclosure Guidance and Transparency Rules”	the disclosure guidance and transparency rules of the FCA made under section 73A of FSMA and forming part of the FCA's Handbook of rules and guidance, as amended from time to time;
“Disclosure Period”	the period commencing on 2 August 2020 (being the date 12 months prior to the start of the Offer Period) and ending on the Latest Practicable Date;
“Document”	this Document dated 16 August 2021 addressed to Meggitt Shareholders containing the Scheme and an explanatory statement in compliance with section 897 of the Companies Act;
“EEA Agreement”	has the meaning given in Condition 3(B) set out in Part III (<i>Conditions to the Implementation of the Scheme and to the Acquisition</i>);
“Effective Date”	the date on which the Acquisition becomes Effective;
“Effective”	in the context of the Acquisition: <ul style="list-style-type: none">(i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or(ii) if the Acquisition is implemented by way of the Takeover Offer (with the Panel's consent and subject to and in accordance with the terms of the Cooperation Agreement), the Takeover Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Takeover Code;
“EFTA State”	one of the member states of the European Free Trade Association from time to time;
“EPP”	the Meggitt 2005 Equity Participation Plan;
“ESOS”	the Meggitt 2005 Executive Share Option Scheme;

“EU Member State”	one of the member states of the European Union from time to time;
“EUMR”	Council Regulation (EC) 139/2004/EC;
“Euroclear”	Euroclear UK & Ireland Limited;
“Evaluation”	has the meaning given in paragraph 8 of Part I (<i>Letter from the Chairman of Meggitt</i>);
“Excluded Shares”	any Meggitt Shares which are: <ul style="list-style-type: none"> (i) registered in the name of or beneficially owned by Parker or any of its subsidiary undertakings; and (ii) held in treasury by Meggitt, in each case immediately prior to the Scheme Record Time;
“Executive Directors”	the executive directors of Meggitt as at the date of this Document and “Executive Director” means any one of them;
“Executive Retention Arrangements”	the retention arrangements relating to Antony Wood and Louisa Burdett referred to in paragraph 8 of Part I (<i>Letter from the Chairman of Meggitt</i>) under the subheading ‘Retention Arrangements’;
“Explanatory Statement”	the explanatory statement (in compliance with section 897 of the Companies Act) relating to the Scheme, as set out in this Document;
“FATA”	the Foreign Acquisitions and Takeovers Act 1975 (Cth);
“FCA”	the Financial Conduct Authority of the United Kingdom, acting in its capacity as the competent authority for the purposes of FSMA, or its successor from time to time;
“Fitch”	Fitch Ratings, Inc.;
“Form(s) of Proxy”	either or both (as the context demands) of the BLUE Form of Proxy in relation to the Court Meeting and/or the WHITE Form of Proxy in relation to the General Meeting;
“FSMA”	the Financial Services and Markets Act 2000;
“General Meeting”	the general meeting of Meggitt Shareholders, convened by the notice set out in Part XII (<i>Notice of General Meeting</i>) of this Document, including any adjournment, postponement or reconvening thereof, for the purposes of considering and, if thought fit, approving the Special Resolution;
“Groups”	the Parker Group and the Meggitt Group
“HM Government” or “UK Government”	the government of the United Kingdom of Great Britain and Northern Ireland;
“HMRC”	Her Majesty’s Revenue and Customs or its successor from time to time;
“holder”	a registered holder and includes any person(s) entitled by transmission;
“Italian FDI Authority”	the Presidency of the Italian Council of Ministries (<i>Presidenza del Consiglio dei Ministri</i>) or any other office, department or

	branch of the Italian Government competent to issue and release the clearance under the Italian FDI Regulation;
“Italian FDI Regulation”	collectively, Law Decree no. 21 of 15 March 2012 (converted with amendments into Law no. 56 of 11 May 2012), Law Decree no. 148 of 16 October 2017 (converted into Law no. 172 of 4 December 2017), Law Decree no. 105 of 21 September 2019 (converted into Law no. 133 of 18 November 2019), Regulation (EU) no. 2019/452 (in each case as subsequently amended and restated from time to time, including by, but limited to, Law Decree no. 23 of 8 April 2020 (converted with amendments by Law no. 40 of 5 July 2020)) and any rules, decrees, orders and regulations promulgated thereunder and/or applicable to the Acquisition in connection thereto;
“Latest Practicable Date”	close of business on 13 August 2021, being the latest practicable date before publication of this Document;
“Law No. 4054”	Law No. 4054 on the Protection of Competition;
“Listing Rules”	the listing rules, made by the FCA under Part 6 FSMA, as amended from time to time;
“London Stock Exchange”	the London Stock Exchange plc or its successor;
“Long Stop Date”	2 February 2023, or such later date as may be agreed in writing between Parker and Meggitt (with the Panel’s consent and as the Court may approve (if such approval(s) is/are required));
“LTIP”	the Meggitt 2014 Long Term Incentive Plan;
“LTIP Awards”	the awards referred to in paragraph 8 of Part I (<i>Letter from the Chairman of Meggitt</i>) under the subheading ‘Retention Arrangements’;
“Lumi”	Lumi AGM UK Limited;
“Market Abuse Regulation”	the retained EU law version of Regulation (EU) No. 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018;
“Meeting”	the Court Meeting and/or the General Meeting, as the case may be;
“Meggitt Board”	the Meggitt Directors acting together as the board of directors of Meggitt;
“Meggitt Directors”	the directors of Meggitt, whose names are set out in paragraph 2.1 of Part IX (<i>Additional Information on Meggitt and Parker</i>);
“Meggitt Footprint Optimisation”	has the meaning given in paragraph 8 of Part I (<i>Letter from the Chairman of Meggitt</i>);
“Meggitt Group”	Meggitt and its subsidiaries and subsidiary undertakings and, where the context permits, each of them;
“Meggitt Share Plans”	the LTIP, the SIRP, the Sharesave, the SIP, the EPP and the ESOS;
“Meggitt Share(s)”	ordinary shares of 5 pence each in the capital of Meggitt, but excluding any such shares held or which become held in treasury;

“Meggitt Shareholders”	the holders of Meggitt Shares from time to time;
“Meggitt” or “Company”	Meggitt PLC, a company incorporated in England and Wales with registered number 00432989;
“Memorandum of Understanding”	has the meaning given in paragraph 8 of Part I (<i>Letter from the Chairman of Meggitt</i>);
“Moody’s”	Moody’s Investor Services, Inc.;
“Morgan Stanley”	Morgan Stanley & Co. International plc;
“NS&I Act”	the National Security and Investment Act 2021, together with its secondary legislation, associated regulatory rules and any legislation amending, augmenting or replacing the same from time to time;
“Offer Period”	the offer period (as defined in the Takeover Code) relating to Meggitt, which commenced on 2 August 2021, and ending on the earlier of the date on which it is announced that the Scheme has become Effective and/or the date on which it is announced that the Scheme has lapsed or has been withdrawn (or such other date as the Takeover Code may provide or the Panel may decide);
“Official List”	the Official List maintained by the FCA pursuant to Part 6 of FSMA;
“Opening Position Disclosure”	has the same meaning as in Rule 8 of the Takeover Code;
“Overseas Shareholders”	Meggitt Shareholders (or nominees of, or custodians or trustees for Meggitt Shareholders) who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom;
“Panel”	the Panel on Takeovers and Mergers of the United Kingdom, or any successor to it;
“Parker Board”	the Parker Directors acting together as the board of directors of Parker;
“Parker Directors”	the directors of Parker, whose names are set out in paragraph 2.2 of Part IX (<i>Additional Information on Meggitt and Parker</i>);
“Parker Group”	Parker and its subsidiaries and subsidiary undertakings and where the context permits, each of them;
“Parker”	Parker-Hannifin Corporation, a corporation incorporated in Ohio, United States of America;
“PRA”	the Prudential Regulation Authority or its successor from time to time;
“Registrar of Companies”	the Registrar of Companies in England and Wales;
“Registrar” or “Computershare”	Computershare Investor Services PLC;
“Regulatory Information Service”	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements;
“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 Meggitt Shareholders in that jurisdiction;

“Rothschild & Co”	N.M. Rothschild & Sons Limited;
“Scheme” or “Scheme of Arrangement”	the proposed scheme of arrangement under Part 26 of the Companies Act between Meggitt and holders of Scheme Shares, as set out in Part IV (<i>The Scheme of Arrangement</i>) of this Document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Meggitt and Parker;
“Scheme Court Hearing”	the hearing of the Court to sanction the Scheme pursuant to section 899 of the Companies Act and any adjournment, postponement or reconvening thereof;
“Scheme Record Time”	6:30 p.m. on the Business Day immediately following the date on which the Court makes the Court Order or such other time as Meggitt and Parker may agree;
“Scheme Shareholders”	the holders of Scheme Shares;
“Scheme Shares”	Meggitt Shares: <ul style="list-style-type: none"> (i) in issue at the date of this Document; (ii) (if any) issued after the date of this Document and prior to the Scheme Voting Record Time; and (iii) (if any) issued at or after the Scheme Voting Record Time and prior to the Scheme Record Time either on terms that the original or any subsequent holders thereof shall be bound by this Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme, <p>in each case (where the context requires), remaining in issue at the Scheme Record Time but excluding any Excluded Shares at any relevant date or time;</p>
“Scheme Voting Record Time”	the time and date specified in the Scheme by reference to which entitlement to vote on the Scheme will be determined;
“SEC”	the US Securities and Exchange Commission;
“Sharesave”	the Meggitt 2018 Sharesave Plan;
“SIP”	the Meggitt Share Incentive Plan;
“SIRP”	the Meggitt Share Incentive and Retention Plan;
“Special Resolution”	the special resolution to be approved at the General Meeting in connection with, among other things, the approval of the Scheme and the alteration of the Articles of Association of Meggitt by the adoption and inclusion of a new article under which any Meggitt Shares issued or transferred after the Scheme Record Time (other than to Parker and/or its nominees) shall be automatically transferred to Parker (or as it may direct) (and, where applicable, for consideration to be paid to the transferee or to the original recipient of the Meggitt Shares so transferred or issued) on the same terms as the Acquisition (other than terms as to timings and formalities) and such other matters as may be necessary to implement the Scheme and the delisting of Meggitt Shares;
“Standard & Poor’s”	Standard & Poor’s Financial Services LLC;

“subsidiary”, “subsidiary undertaking” and “undertaking”	shall be construed in accordance with the Companies Act;
“Takeover Code”	the City Code on Takeovers and Mergers, as amended from time to time;
“Takeover Offer”	if (subject to the consent of the Panel and subject to and in accordance with the terms of the Cooperation Agreement) Parker elects to effect the Acquisition by way of a takeover offer (as defined in Chapter 3 of Part 29 of the Companies Act), the offer to be made by or on behalf of Parker to acquire the issued and to be issued ordinary share capital of Meggitt on the terms and subject to the conditions to be set out in the related offer document (and, where the context admits, any subsequent revision, variation, extension or renewal of such offer);
“Third Party”	a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction;
“TransDigm”	TransDigm Group Incorporated;
“Transition Awards”	the awards referred to in paragraph 8 of Part I (<i>Letter from the Chairman of Meggitt</i>) under the heading ‘Retention Arrangements’;
“treasury shares”	any ordinary shares of Meggitt held by Meggitt as treasury shares;
“Trustee”	the trustee of the UK DB Pension Plan;
“UK DB Pension Plan”	The Meggitt defined benefit pension scheme referred to in paragraph 8 of Part I (<i>Letter from the Chairman of Meggitt</i>);
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“uncertificated” or “in uncertificated form”	a share or other security recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“US Exchange Act”	the US Securities Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder;
“US Meggitt Shareholder”	a Meggitt Shareholder resident or located in the United States of America;
“US Securities Act”	the US Securities Act of 1933, as amended and the rules and regulations promulgated thereunder;
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
“Virtual Meeting Guide”	the guide prepared by Lumi explaining how Scheme Shareholders and Meggitt Shareholders can remotely access and participate in the Meetings via the Virtual Meeting Platform;
“Virtual Meeting Platform”	the Lumi virtual meeting platform;

“Voting Record Time”	6:30 p.m. on the day which is two Business Days prior to the date of the Court Meeting and the General Meeting or, if the Court Meeting and/or the General Meeting is adjourned, 6:30 p.m. on the day which is two Business Days before the date of such adjourned Meeting;
“Wider Meggitt Group”	Meggitt and the subsidiaries and subsidiary undertakings of Meggitt and associated undertakings (including any joint venture, partnership, firm or company) in which any member of the Meggitt Group and any such undertakings (aggregating their interests) have a Substantial Interest); and
“Wider Parker Group”	Parker and the subsidiaries and subsidiary undertakings of Parker and associated undertakings (including any joint venture, partnership, firm or company) in which any member of the Parker Group and any such undertakings (aggregating their interests) have a Substantial Interest).

For the purposes of this Document:

- “subsidiary”, “subsidiary undertaking”, “undertaking”, “associated undertaking” have the meanings given by the Companies Act;
- references to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this announcement;
- all references to “£”, “GBP”, “pence” and “p” are to the lawful currency of the United Kingdom;
- references to the singular include the plural and vice versa; and
- all times referred to are London time unless otherwise stated.

PART XI

NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMPANIES COURT (ChD)
CHIEF INSOLVENCY AND COMPANIES COURT JUDGE BRIGGS

CR-2021-001248

IN THE MATTER OF MEGGITT PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that, by an order dated 13 August 2021 made in the above matters, the Court has given permission for a hybrid meeting (the “**Court Meeting**”) to be convened of the holders of Scheme Shares as at the Voting Record Time (each as defined in the Scheme (defined 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 (the “**Companies Act**”) between Meggitt PLC (the “**Company**”) and the holders of Scheme Shares (the “**Scheme**”) and that such hybrid meeting will be held at Pilot Way, Ansty Business Park, Coventry, CV7 9JU, United Kingdom and electronically by live broadcast at 10:00 a.m. on 21 September 2021.

A copy of the Scheme and a copy of the explanatory statement required to be published pursuant to section 897 of the Companies Act are incorporated in the Document of which this notice forms part.

Unless the context requires otherwise, any capitalised term used but not defined in this notice shall have the meaning given to such term in the Document of which this notice forms part.

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

COVID-19 restrictions

Whilst COVID-19 restrictions have been lifted as at the date of publication of this notice, the Meggitt Directors note that the COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures which affect the holding of shareholder meetings. As such, whilst Scheme Shareholders will be permitted to attend the Court Meeting in person if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), they are strongly encouraged to appoint “the Chair of the meeting” as proxy for the Court Meeting. If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the Court Meeting, that proxy may not be permitted to attend the Court Meeting in person (but will be able to remotely attend, ask questions and/or raise any objections and vote at the Court Meeting via the Virtual Meeting Platform, further details of which are set out below and in the Virtual Meeting Guide).

Scheme Shareholders are also reminded that they can remotely attend, ask questions and/or raise any objections and vote at the Court Meeting via the Virtual Meeting Platform, as described in the Virtual Meeting Guide. Scheme Shareholders may also submit questions to be considered at the Court Meeting at any time up to 48 hours before the Court Meeting by emailing shareholders@meggitt.com or on the day via the Virtual Meeting Platform.

Any changes to the arrangements for the Court Meeting will be communicated to Scheme Shareholders before the Court Meeting, including through Meggitt’s website www.meggittoffer.com and by announcement through a Regulatory Information Service.

All references in this notice to “attend” and “vote” or “attending” and “voting” in the context of the Court Meeting include remote attendance via the Virtual Meeting Platform and voting by proxy or remotely via the Virtual Meeting Platform respectively.

Instructions for accessing the Virtual Meeting Platform

In addition to being able to attend, ask questions and/or raise any objections and vote at the Court Meeting in person, Scheme Shareholders will be given the opportunity instead to remotely attend, ask questions and/or raise any objections and vote at the Court Meeting via the Virtual Meeting Platform provided by Lumi. Scheme Shareholders may also submit questions to be considered at the Court Meeting at any time up to 48 hours before the Court Meeting by emailing shareholders@meggitt.com.

Scheme Shareholders can access the Virtual Meeting Platform via a mobile web client, which is compatible with the latest browser versions of Chrome, Firefox, Edge and Safari and can be accessed using any web browser, on a PC or smartphone device. To remotely attend, ask questions and/or raise any objections and vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 131-930-229. You will then be prompted to enter your unique shareholder reference number ("**SRN**") and PIN. These can be found printed on your Form of Proxy. If you are unable to access your SRN or PIN please contact the Company's registrar, Computershare, by calling the shareholder helpline on: +44 (0)370 703 6210. Lines are open between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays). Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Access to the Court Meeting via the website will be available from 9:30 a.m. on 21 September 2021, as further detailed below. However, voting functionality will not be enabled until the Chair of the Court Meeting declares the poll open. Scheme Shareholders will be permitted to ask questions (via the Virtual Meeting Platform) during the course of the Court Meeting. Scheme Shareholders can use the same function to raise any objections they may have to the Scheme. Scheme Shareholders may also submit questions to be considered at the Court Meeting at any time up to 48 hours before the Court Meeting by emailing shareholders@meggitt.com. The Chair of the Court Meeting will ensure that all such questions and/or any objections relating to the formal business of the Court Meeting are addressed during the Court Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair's discretion, otherwise be undesirable in the interests of the Company or the good order of the Court Meeting.

During the Court Meeting, you must ensure you are connected to the internet at all times in order to ask questions and/or raise any objections and vote when the Chair commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the Court Meeting via your wireless or other internet connection. The Virtual Meeting Guide contains further information on remotely accessing and participating in the Meeting via the Virtual Meeting Platform, <https://web.lumiagm.com> and is available on Meggitt's website at www.meggittoffer.com.

If you wish to appoint a proxy and for the proxy to attend the virtual meeting on your behalf, please contact Computershare by calling the shareholder helpline on: +44 (0)370 703 6210. Lines are open between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays). Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

If your shares are held within a nominee and you wish to access the virtual meeting, you will need to contact your nominee immediately. Duly appointed proxies and corporate representatives should e-mail a scanned copy of their letter of representation and shareholder reference number to corporate-representatives@computershare.co.uk by no later than 48 hours before the start of the Court Meeting in order to obtain a unique username and PIN to use to access the virtual meeting.

Right to appoint a proxy; procedure for appointment

Voting at the Court Meeting will be by poll. Scheme Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting as soon as possible, using any of the methods (by post, online or electronically through CREST) set out below. In particular, given the ongoing uncertainty regarding the COVID-19 situation, Scheme Shareholders are strongly encouraged to appoint "the Chair of the meeting" as proxy for the Court Meeting. If any other person is appointed

as proxy and COVID-19 restrictions are introduced which affect the holding of the Court Meeting, that proxy may not be permitted to attend the Court Meeting in person (but will be able to remotely attend, ask questions and/or raise any objections and vote at the Court Meeting via the Virtual Meeting Platform).

The completion and return of the BLUE Form of Proxy by post (or transmission of a proxy appointment or voting instruction electronically, online, through CREST or by any other procedure described below) will not prevent Scheme Shareholders from attending and voting at the Court Meeting (in person or remotely via the Virtual Meeting Platform) if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force).

(a) ***Sending BLUE Form of Proxy by post***

A BLUE Form of Proxy, for use at the Court Meeting, has been provided with this notice. Instructions for its use are set out on the Form of Proxy. 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 to the Company's registrar, Computershare, by post to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, so as to be received as soon as possible and ideally not later than 10:00 a.m. on 17 September 2021 (or, in the case of an adjournment of the Court Meeting, 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time appointed for the adjourned meeting).

If the BLUE Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof. Please note, however, that any BLUE Form of Proxy sent to this email address before 10:00 a.m. on 17 September 2021 may be discounted as invalid.

(b) ***Online appointment of proxies***

As an alternative to completing and returning the printed BLUE Form of Proxy, proxies may be appointed electronically by logging on to the following website: www.investorcentre.co.uk/eproxy and following the instructions therein. For an electronic proxy appointment to be valid, the appointment must be received by Computershare not later than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time fixed for the Court Meeting or any adjournment thereof. If the electronic proxy appointment is not received by this time, the BLUE Form of Proxy may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof. Please note, however, that any BLUE Form of Proxy sent to this email address before 10:00 a.m. on 17 September 2021 may be discounted as invalid. Full details of the procedure to be followed to appoint a proxy electronically are given on www.investorcentre.co.uk/eproxy.

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

If you hold Meggitt Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Court Meeting (or any adjournment thereof) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed 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 Computershare (ID: 3RA50) not later than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time fixed for the Court Meeting or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Computershare

are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. If the CREST proxy appointment or instruction is not received by this time, the BLUE Form of Proxy may be emailed to externalproxyqueries@computershare.co.uk any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof. Please note, however, that any BLUE Form of Proxy sent to this email address before 10:00 a.m. on 17 September 2021 may be discounted as invalid.

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 any particular time. For further information on the logistics of submitting messages in CREST, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Meggitt may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 5(5)(a) of the CREST Regulations.

Voting Record Time

Entitlement to attend and vote (in person, remotely (via the Virtual Meeting Platform) or by proxy) at the Court Meeting or any adjournment thereof and the number of votes which may be cast at the Court Meeting will be determined by reference to the register of members of the Company at 6:30 p.m. on 17 September 2021 or, if the Court Meeting is adjourned, 6:30 p.m. on the date which is two Business Days before the date fixed for the adjourned meeting. Changes to the register of members after the relevant time shall be disregarded in determining the rights of any person to attend and vote (in person, remotely (via the Virtual Meeting Platform) or by proxy) at the Court Meeting.

Joint Holders

In the case of joint holders of Scheme Shares, the vote of the senior who tenders a vote, whether in person, remotely (via the Virtual Meeting Platform) or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s). 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 Sir Nigel Rudd or, failing him, Alison Goligher, or failing her, any other Meggitt Director to act as Chair of the Court Meeting and has directed the Chair to report the result thereof to the Court.

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

Dated 16 August 2021

Slaughter and May
One Bunhill Row
London EC1Y 8YY
Solicitors for the Company

Nominated Persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a "**Nominated Person**") does not, in that capacity, have a right to appoint a proxy, such right only being exercisable by shareholders of the Company. However, Nominated Persons may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Court Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

PART XII

NOTICE OF GENERAL MEETING

MEGGITT PLC

Notice is hereby given that a hybrid general meeting of Meggitt PLC (the “**Company**”) will be held at Pilot Way, Ansty Business Park, Coventry, CV7 9JU, United Kingdom and electronically by live broadcast, at 10:15 a.m. on 21 September 2021 (or as soon thereafter as the Court Meeting (as defined in Part X (*Definitions*) of the Document of which this notice forms part) concludes or is adjourned) for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution.

Unless the context requires otherwise, any capitalised term used but not defined in this notice shall have the meaning given to such term in the Document of which this notice forms part.

SPECIAL RESOLUTION

THAT:

- (A) for the purpose of giving effect to the scheme of arrangement dated 16 August 2021 (as amended or supplemented) (the “**Scheme**”) between the Company and the holders of Scheme Shares (as defined in the Scheme), a copy of which has been produced to this meeting and for the purposes of identification signed by the chair of this meeting, in its original form or with or subject to any modification, addition, or condition agreed by the Company and Parker-Hannifin Corporation and approved or imposed by the High Court of Justice of England and Wales, 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 hereby amended by the adoption and inclusion of the following new Article 139:

“139. Scheme of Arrangement

- (A) In this article 139, references to the “**Scheme**” are to the Scheme of Arrangement under Part 26 of the Companies Act 2006 between the Company and the holders of Scheme Shares (as defined in the Scheme) dated 16 August 2021 (with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Company, Parker-Hannifin Corporation (“**Parker**”)) and (save as defined in this article) terms defined in the Scheme shall have the same meanings in this article.
- (B) Notwithstanding any other provisions in these articles, if the Company issues or transfers out of treasury any Meggitt Shares (other than to Parker, any subsidiary of Parker, any parent undertaking of Parker or any subsidiary of such parent undertaking, or any nominee of Parker or of any such company (each a “**Parker Company**”)) on or after the date of the adoption of this article 139 and prior to the Scheme Record Time (as defined in the Scheme) such Meggitt Shares shall be issued or transferred subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or subsequent holder or holders of such Meggitt Shares shall be bound by the Scheme accordingly.
- (C) Notwithstanding any other provision of these articles, subject to the Scheme becoming Effective, any shares issued, transferred out of treasury or transferred pursuant to paragraph (D) below, to any person (other than a Parker Company) at or after the Scheme Record Time (a “**New Member**”) (each a “**Post-Scheme Share**”) shall be issued or transferred on terms that they shall (on the Effective Date (as defined in the Scheme) or, if later, on issue or transfer (but subject to the terms of paragraphs (D) and (E) below)), be immediately transferred to Parker (or such person as it may direct) (the “**Purchaser**”), who shall be obliged to acquire each Post-Scheme Share in consideration of and conditional upon the payment by or on behalf of Parker to the New Member of an amount in cash for

each Post-Scheme Share equal to the consideration to which a New Member would have been entitled had such Post-Scheme Share been a Scheme Share.

- (D) Any person who is beneficially entitled to shares issued or transferred to a New Member (other than, for the avoidance of doubt, a person who becomes beneficially entitled to shares by virtue of a transfer pursuant to this paragraph (D)) may, prior to the issue or transfer of Post-Scheme Shares to the New Member pursuant to the exercise of an option or satisfaction of an award under one of the Meggitt Share Plans (as defined in the Scheme), 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 the beneficial ownership of 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 or before such Post-Scheme Shares being issued or transferred to him or her, immediately transfer to his or her spouse or civil partner beneficial ownership of any such Post-Scheme Shares, provided that such Post-Scheme Shares (including both legal and beneficial ownership thereof) will then be immediately transferred to the Purchaser pursuant to paragraph (C) above. If notice has been validly given pursuant to this paragraph (D) but the beneficial owner does not immediately transfer to his or her spouse or civil partner the beneficial ownership of the Post-Scheme Shares in respect of which notice was given, both the legal and beneficial ownership of the Post-Scheme Shares in respect of which notice was given will be transferred to the Purchaser and/or its nominee(s) pursuant to paragraph (C) above. If notice is not given pursuant to this paragraph (D), both the legal and beneficial ownership of the Post-Scheme Shares will be immediately transferred to the Purchaser pursuant to paragraph (C) above.
- (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 (as defined in the Scheme), the value of the consideration per Post-Scheme Share to be paid under paragraph (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 Meggitt Shares shall, following such adjustment, be construed accordingly.
- (F) To give effect to any transfer of Post-Scheme Shares required pursuant to paragraph (C) and/or paragraph (D) above, the Company may appoint any person as attorney and/or agent for the New Member to transfer the Post-Scheme Shares to the Purchaser and do all such other things and execute and deliver all such documents or deeds as may in the opinion of such attorney or agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or 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 in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder) in favour of the Purchaser and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares. The Purchaser shall settle the consideration due to the New Member pursuant to paragraph (C) above by sending a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder) for the purchase price of such Post-Scheme Shares as soon as practicable and in any event no later than 14 days after the date on which the Post-Scheme Shares are issued to the New Member.
- (G) If the Scheme shall not have become Effective by the applicable date referred to in (or otherwise set in accordance with) clause 6(B) of the Scheme, this article 139 shall cease to be of any effect.
- (H) Notwithstanding any other provision of these articles, both the Company and the board shall refuse to register the transfer of any Scheme Shares effected between the Scheme

Record Time and the Effective Date other than to the Purchaser and/or its nominee(s) pursuant to the Scheme.”

16 August 2021

By Order of the Board

M L Thomas
Company Secretary

Meggitt PLC

Registered in England and Wales No. 00432989

Registered Office:

Pilot Way
Ansty Business Park
Coventry
CV7 9JU
United Kingdom

Notes:

The following notes explain your general rights as a shareholder and your right to attend and vote at the General Meeting or to appoint someone else to vote on your behalf.

1. Attendance at the Meeting

Whilst COVID-19 restrictions have been lifted as at the date of publication of this notice, the Meggitt Directors note that the COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures which affect the holding of shareholder meetings. As such, whilst Meggitt Shareholders will be permitted to attend the General Meeting in person if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), they are strongly encouraged to appoint “the Chair of the meeting” as their proxy for the General Meeting. If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the General Meeting, that proxy may not be permitted to attend the General Meeting in person (but will be able to remotely attend, ask questions and vote at the General Meeting via the Virtual Meeting Platform, further details of which are set out below and in the Virtual Meeting Guide).

Meggitt Shareholders are also reminded that they can remotely attend, ask questions and vote at the General Meeting via the Virtual Meeting Platform, as described in the Virtual Meeting Guide. Meggitt Shareholders may also submit questions to be considered at the General Meeting at any time up to 48 hours before the General Meeting by emailing shareholders@meggitt.com or on the day via the Virtual Meeting Platform.

Any changes to the arrangements for the General Meeting will be communicated to Meggitt Shareholders before the General Meeting, including through Meggitt’s website www.meggittoffer.com and by announcement through a Regulatory Information Service.

All references in this notice to “attend” and “vote” or “attending” and “voting” in the context of the General Meeting include remote attendance via the Virtual Meeting Platform and voting by proxy or remotely via the Virtual Meeting Platform respectively.

2. Instructions for accessing the Virtual Meeting Platform

In addition to being able to attend, ask questions and vote at the General Meeting in person, Meggitt Shareholders will be given the opportunity instead to remotely attend, ask questions and vote at the General Meeting via the Virtual Meeting Platform provided by Lumi. Meggitt Shareholders may also submit questions to be considered at the General Meeting at any time up to 48 hours before the General Meeting by emailing shareholders@meggitt.com.

Meggitt Shareholders can access the Virtual Meeting Platform via a mobile web client, which is compatible with the latest browser versions of Chrome, Firefox, Edge and Safari and can be accessed using any web browser, on a PC or smartphone device. To remotely attend, ask questions and/or vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID, which is 131-930-229. You will then be prompted to enter your unique shareholder reference number (“**SRN**”) and PIN. These can be found printed on your Form of Proxy. If you are unable to access your SRN or PIN please contact the Company’s registrar, Computershare, by calling the shareholder helpline on: +44 (0)370 703 6210. Lines are open between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays). Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Access to the General Meeting via the Virtual Meeting Platform will be available from 9:30 a.m. on 21 September 2021, as further detailed below. However, voting functionality will not be enabled until the Chair of the General Meeting declares the poll open. Meggitt Shareholders will be permitted to ask questions (via the Virtual Meeting Platform) during the course of the General Meeting. Meggitt Shareholders may also submit questions to be considered at the General Meeting at any time up to 48 hours before the General Meeting by emailing shareholders@meggitt.com. The Chair of the General Meeting will ensure that all such questions and/or any objections relating to the formal business of the General Meeting are addressed during the General Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair’s discretion, otherwise be undesirable in the interests of the Company or the good order of the General Meeting.

During the General Meeting, you must ensure you are connected to the internet at all times in order to ask questions and vote when the Chair commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the General Meeting via your wireless or other internet connection. The Virtual Meeting Guide contains further information

on remotely accessing and participating in the Meeting via the Virtual Meeting Platform, <https://web.lumiagm.com> and is available on Meggitt's website at www.meggittoffer.com.

If you wish to appoint a proxy and for the proxy to attend the virtual meeting on your behalf, please contact Computershare by calling the shareholder helpline on: +44 (0)370 703 6210. Lines are open between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays). Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

If your shares are held within a nominee and you wish to access the virtual meeting, you will need to contact your nominee immediately. Duly appointed proxies and corporate representatives should e-mail a scanned copy of their letter of representation and shareholder reference number to corporate-representatives@computershare.co.uk by no later than 48 hours before the start of the General Meeting in order to obtain a unique username and PIN to use to access the virtual meeting.

3. Entitlement to attend and vote

Pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001 (as amended), the Company has specified that only those members registered on the register of members of the Company at 6:30 p.m. on 17 September 2021 (the "**Voting Record Time**") (or, if the meeting is adjourned to a time more than 48 hours after the Voting Record Time, by 6:30 p.m. on the day which is two Business Days prior to the time of the adjourned meeting) shall be entitled to attend and vote (in person, remotely (via the Virtual Meeting Platform) or by proxy) at the General Meeting in respect of the number of shares registered in their name at that time. If the meeting is adjourned to a time not more than 48 hours after the Voting Record Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast) at the adjourned meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

4. Appointment of proxies

Meggitt Shareholders are strongly encouraged to submit proxy appointments and instructions for the General Meeting as soon as possible, using any of the methods (by post, online, or electronically through CREST) set out below. In particular, given the ongoing uncertainty regarding the COVID-19 situation, Meggitt Shareholders are strongly encouraged to appoint "the Chair of the meeting" as proxy for the General Meeting. If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the General Meeting, that proxy may not be permitted to attend the General Meeting in person (but will be able to remotely attend, ask questions and vote at the General Meeting via the Virtual Meeting Platform).

A member entitled to attend and vote at the meeting may appoint one or more proxies to exercise all or any of the member's rights to attend and, on a poll, to vote instead of him or her. A proxy need not be a member of the Company but must attend the meeting for the member's vote to be counted. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member. If a member wishes to appoint more than one proxy they should contact Computershare for further WHITE forms of proxy or photocopy the WHITE Form of Proxy as required.

The completion and return of the WHITE Form of Proxy by post (or transmission of a proxy appointment or voting instruction electronically, online, through CREST or by any other procedure described below) will not prevent Meggitt Shareholders from attending and voting at the General Meeting (in person or remotely, via the Virtual Meeting Platform) if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force).

(a) Sending WHITE Form of Proxy by post

A WHITE Form of Proxy, for use at the General Meeting, has been provided with this notice. Instructions for its use are set out on the form. It is requested that the WHITE 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 to the Company's registrar, Computershare, by post to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, so as to be received as soon as possible and in any event not later than 10:15 a.m. on 17 September 2021 (or, in the case of an adjournment of the General Meeting, 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time appointed for the adjourned meeting).

If the WHITE Form of Proxy for the General Meeting is not lodged by the relevant time, it will be invalid.

(b) Online appointment of proxies

As an alternative to completing and returning the printed WHITE Form of Proxy, proxies may be appointed electronically by logging on to the following website: www.investorcentre.co.uk/eproxy and following the instructions therein. For an electronic proxy appointment to be valid, the appointment must be received by Computershare not later than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time fixed for the General Meeting or any adjournment thereof. Full details of the procedure to be followed to appoint a proxy electronically are given on www.investorcentre.co.uk/eproxy.

(c) Electronic appointment of proxies through CREST

If you hold Meggitt Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the General Meeting (or any adjournment thereof) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed 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 Computershare (ID: 3RA50) not later than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time fixed for the General Meeting or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Computershare are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

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 any particular time. For further information on the logistics of submitting messages in CREST, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Meggitt may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

5. Appointment of a proxy by joint holders

In the case of joint holders, where more than one of the joint holders purports to appoint one or more proxies, only the purported appointment submitted by the most senior holder will be accepted. Seniority shall be determined by the order in which the names of the joint holders stand in the Company’s register of members in respect of the joint holding.

6. Corporate representatives

Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers, provided that if two or more 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.

7. Votes to be taken by a poll and results

At the General Meeting voting on the special resolution will be by poll. The results of the poll will be announced through a Regulatory Information Service and published on the Company’s website as soon as reasonably practicable following the conclusion of the General Meeting.

The ‘Withheld’ option on the WHITE Form of Proxy is provided to enable Meggitt Shareholders to abstain from voting on the Special Resolution. However, a vote withheld is not a vote in law and will not be counted in the calculation of proportion of votes ‘For’ and ‘Against’ the Special Resolution.

8. Nominated persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a “**Nominated Person**”) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies in paragraph 4 above does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by shareholders of the Company.

9. Website providing information regarding the General Meeting

Information regarding the General Meeting, including information required by section 311A of the Companies Act, and a copy of this notice may be found on Meggitt’s website at: www.meggittoffer.com

10. Issued share capital and total voting rights

As at 13 August 2021 (being the last Business Day prior to the publication of this notice) the Company’s issued share capital consisted of 781,379,178 ordinary shares of 5 pence each, carrying one vote each (excluding 9,859 shares held in treasury). Therefore, the total voting rights in the Company as at 13 August 2021 were 781,379,178 votes.

11. Further questions and communication

Under section 319(a) of the Companies Act, any shareholder attending the General Meeting has the right to ask questions. As set out above, Meggitt Shareholders will be permitted to ask questions (in person or via the Virtual Meeting Platform) during the course of the General Meeting. Meggitt Shareholders may also submit questions to be considered at the General Meeting at any time up to 48 hours before the General Meeting by emailing shareholders@meggitt.com. The Chair of the General Meeting will ensure that all such questions relating to the formal business of the General Meeting are addressed during the General Meeting, unless, at the Chair’s discretion: (i) no response is required to be provided under the Companies Act, or (ii) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, or (iii) the provision of a response would otherwise be undesirable in the interests of the Company or the good order of the General Meeting.

Meggitt Shareholders who have any queries about the General Meeting should contact the Shareholder Helpline operated by Computershare, the Company's registrar, between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays) on +44 (0)370 703 6210. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Meggitt Shareholders may not use any electronic address or fax number provided in this notice or in any related documents to communicate with the Company for any purpose other than those expressly stated. Any electronic communications, including the lodgement of any electronic Form of Proxy, received by the Company, or its agents, that is found to contain any virus will not be accepted.

