

Smiths News plc
Annual General Meeting – Wednesday 27 January 2021
Investor Questions and Answers

In light of the continuing impact of the COVID-19 pandemic and pursuant to Government legislation relaxing company meeting requirements under the Companies Act 2006 (which are set out in the Corporate Insolvency and Governance Act 2020), it has become necessary to restrict physical participation at the Company's Annual General Meeting to be held at 11.30am on 27 January 2021 in line with our Articles of Association and current guidance and legislation.

As such, shareholders will not have a right to attend the meeting in person. Accordingly, the Company's Annual General Meeting will be kept as concise and efficient as possible and physical attendance will be limited to the minimum number of persons to ensure the meeting is quorate and can conduct the business of the meeting. Shareholders have been invited to ask questions by email ahead of the meeting (see below) and will enjoy limited participation at the meeting itself through an ability to listen to proceedings via a (mute only) conference telephone facility using the following details:

United Kingdom Toll-Free: 08003589473

PIN: 43069105#

United Kingdom Toll: +44 3333000804

PIN: 43069105#

International dial in numbers: <https://event.sharefile.com/d-s7bae1d9235d495a8>

Shareholders who wish to vote are strongly encouraged to submit their votes by proxy as soon as possible and in any event by no later than 11.30 a.m. on Monday 25 January 2021.

Questions and answers received to date are set out below:

	Question	Answer	Last Updated
1.	What lessons have been learned from the acquisition, and subsequent disposal, of Tuffnells	Tuffnells was acquired in late 2014 and in fact recorded positive profit growth in the first two years under the Company's ownership, remaining profitable up to FY2018. However, strong market headwinds experienced in 2018 and 2019 and a flawed integration strategy with Smiths News resulted in Tuffnells becoming a significant drag on the Company's profit and cash resources which, despite the best endeavours of the management team at the time, continued into FY2019. Ultimately, in light of	25.01.2021

		<p>the Board's focus on maximising shareholder value and mindful of the expected continuing financial and market pressures that Tuffnells was experiencing at the time, the Board made the decision in November 2019 to conduct a strategic review of the Tuffnells business. A subsequent sale was successfully concluded on 2 May 2020, following overwhelming support (99.78%) by shareholders at the General Meeting held on 1 May 2020.</p> <p>The Board has reviewed key learnings from the Company's period of ownership as part of its strategy and business planning deliberations (focussing on integration challenges, core management retention, operational synergies, commercial diligence and market landscape) and these learnings will be reflected in the Company's ongoing strategy.</p> <p>The Board remains supportive of the disposal and the resultant strengthened balance sheet and renewed focus on the Company's profitable news and magazines distribution business. Since completion of the sale of Tuffnells in May 2020, the Company has successfully refinanced its banking facilities and delivered a solid trading performance and reduction in net debt, notwithstanding the challenging trading conditions having resulted from the unprecedented COVID-19 pandemic. We look forward to future engagement with shareholders and financial reporting in due course.</p>	
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