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The information communicated within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

*News Release*

31 October 2018

**Victoria PLC  
("Victoria", the "Company", or the "Group")**

**Credit Rating and Response to Speculation**

In relation to the recently announced launch of senior secured notes (the "Bond"), the Board is pleased to announce this morning confirmation of a formal senior secured credit rating from Fitch, the global credit rating agency, of BB (stable) for the Bond. It is anticipated that a rating from credit agency Standard & Poors will be announced shortly.

In addition, the Board believes that it must address the misleading rumour and speculation surrounding the reasons for the Bond and the negative sentiment expressed towards the Company, and the consequent fall in price of the Company's ordinary shares since the start of the week.

Firstly, the Company continues to have a close and positive relationship with its lending banks, HSBC and Barclays, and continues to operate with significant headroom with respect to its covenants under the existing 2-year facilities put in place in August 2018. Our lending banks are acting as joint global coordinators and bookrunners on the potential Bond issue and have been working with us on the project since April of this year.

As the Group has grown over the last six years, our lending banks have been, and continue to be, very supportive of our strategy and performance. Nevertheless, as our funding requirements have grown over time, various options have been examined to simplify the capital structure and provide long-term financing for the Group, and in early 2018 it was decided that a Bond issue would be a suitable fit for the Company for the following reasons:

1. The long-term (5 year) nature of the Bond;
2. A fixed rate of interest for the term of the Bond, which was felt to be prudent given the current outlook for interest rates;
3. The terms of the Bond, which are customary for an issuance of this nature, provide flexibility for the Company to implement its strategy;
4. The depth of the bond market, which will assist the Company in achieving its objectives.

Work has been progressing on the bond for several months although, due to relevant securities law requirements, the Company was unable to provide an update to the market of its intentions until the

announcement on Monday. The supplementary financial information also released on Monday following the Bond announcement was to provide the equity market with previously undisclosed financial information, which is being provided to potential investors as part of the Bond offering.

The use of proceeds of the potential Bond issue will be solely to refinance the existing 2-year facilities and to pay related fees and expenses. It is important to note that the proposed Bond issue does not increase the net indebtedness of the Company.

The potential Bond issue is an entirely discretionary exercise, and a final decision will be made at the Company's discretion in the coming days on whether to move ahead or retain the existing facilities.

A further announcement will be made in due course.

The person responsible for arranging the release of this announcement on behalf of the Company is Michael Scott, Group Finance Director.

*This announcement does not constitute an offer to sell or the solicitation of an offer to buy the Bond or any other security and shall not constitute an offer, solicitation or sale in the United States or in any jurisdiction in which, or to any persons to whom, such offering, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any jurisdiction.*

*The Bond and the related guarantees have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.*

*This announcement may include projections and other "forward-looking" statements within the meaning of applicable securities laws. Any such projections or statements reflect the current views of the Company about future events and financial performance. The use of any of the words "expect," "anticipate," "continue," "will," "project," "should," "believe," "plans," "intends" and similar expressions are intended to identify forward-looking information or statements. Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that such statements and information will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties.*

*The forward-looking statements and information contained in this announcement are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information future events or otherwise, unless so required by applicable securities laws. Within the United Kingdom, this announcement is directed only at persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("relevant persons"). The investment or investment activity to which this announcement relates is only available to and will only be engaged in with relevant persons and persons who receive this announcement who are not relevant persons should not rely or act upon it.*

*Manufacturer target market (MIFID II product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as not available to retail in EEA.*

*This announcement contains inside information within the meaning of Regulation (EU) No 596/2014 of 16 April 2014 on market abuse.*

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