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28 May 2024

Revolution Bars Group plc
(the "**Company**" or the "**Group**")

Update re Approach from NightCap

Revolution Bars Group plc (AIM: RBG), a leading operator of premium bars and gastro pubs, trading mainly under the Revolution, Revolucion de Cuba and Peach Pubs brands, provides an update with respect to the approach from Nightcap plc and the £12.5m Fundraising announced on 10 April 2024.

On 2 May 2024 the Company confirmed that it had held an exploratory meeting with Nightcap plc ("**Nightcap**") regarding a range of possible transactions including a possible offer for the entire issued and to be issued ordinary share capital of the Company.

Since then, the Company and/or its advisers have attended several meetings and phone calls with Nightcap to discuss Nightcap's interest in making an offer for the Company. Separately, information has been provided to support Nightcap to formulate a proposal. On 17 May 2024, the Company received a non-binding proposal from Nightcap ("**Nightcap Proposal**") following which clarification calls were held, and additional information supplied.

The Nightcap Proposal would still require Revolution Bars Limited (the "**Plan Company**") to proceed with the Restructuring Plan, but not the existing fundraising of £12.5m (the "**Fundraising**"). However, following legal advice, the Board has concluded that the Nightcap Proposal is incapable of being delivered, which was communicated to Nightcap last week. There were a number of challenges to the delivery of the Nightcap Proposal, which was a highly conditional proposal and which was subject to multiple equity fundraisings by Nightcap, assumptions regarding the support of the Company's and Nightcap's respective lenders, material due diligence, as well as significant time, material cost and potential untested legal and procedural issues.

Rationale

Whilst, due to confidentiality considerations, specific details of the Nightcap proposal cannot be disclosed, selected challenges are outlined below:

- The Nightcap Proposal would require two separate equity fundraisings to successfully complete compared with the Fundraising which has already been secured by the Company subject only to the shareholder vote (see update below on current irrevocable undertakings received in respect of the vote).
- The Board has received legal advice concluding that the Company would be unable to pursue the Restructuring Plan on the basis envisaged in the Nightcap Proposal given the funding for the Restructuring Plan would not be in place at the time of the planned launch.
- Nightcap would require further time to undertake due diligence prior to being able to announce a firm intention to make an offer for the Company in accordance with Rule 2.7 of the Code creating material delivery risk, compared with the proposed Fundraising and Restructuring Plan (the "**Existing Plan**").

- It is therefore highly likely additional funding would be required, over and above the Company's existing forecast funding requirement, to bridge to the successful completion of the transaction. It is unclear who would be able to fund or on what terms noting that existing stakeholders of the Company are unlikely to be able to provide additional bridge funding.
- There is significant procedural driven risk and cost associated with the Nightcap Proposal over and above the level of risk that applies to the Existing Plan. This includes the fact that the acquisition by Nightcap of the Company would constitute a reverse takeover pursuant to the AIM Rules for Companies. The implementation of such a transaction would ordinarily require extensive financial and legal due diligence, and the publication of an admission document in respect of the enlarged entity. This diligence and other transaction work would take several months to complete prior to publishing an admission document, following which Nightcap would need to secure formal approval for the transaction from its shareholders.
- Support would also be required from both the lender to the Company and the lender to Nightcap. Given the Company's need to implement a solution imminently, the advanced Restructuring Plan and associated new equity funding discussions and the above issues in relation to the Nightcap proposal, including in particular the material execution risk and the due diligence that would be required to establish feasibility, the Lender to the Company has advised the board that they are unable to support the Nightcap Proposal at this time.

The Board, as ever, remains open to considering any future proposal from Nightcap or any other party, following completion of the Restructuring Plan, at which time the Company would have been recapitalised.

Importance of Shareholder Approval of the Fundraising

As noted in the Company's announcement of 10 April 2024 detailing the Fundraising, without the additional funding proposed to be raised in connection with the Fundraising and without the cost savings delivered through the proposed Restructuring Plan, the Board anticipates that the Group will face liquidity pressures from Q1 FY25 onwards (July, August, and September 2024 onwards).

In the absence of any proposal that would deliver a better outcome for the Company's stakeholders taking into account delivery risk, the Board firmly believes that it is in the best interests of the Company to support the proposal by Revolution Bars Limited ("RBL" or the "Plan Company"), a subsidiary of the Group, of a Restructuring Plan alongside a number of additional measures to be implemented across the Group to re-shape its business. This will require the approval of the Fundraising by the Company's shareholders in the General Meeting, details of which will be posted to Shareholders in the coming days.

The Board notes that, should the Restructuring Plan proceed and be sanctioned by the Court, it would preserve value for the Company's current Shareholders by comparison to the offers received from the M&A Process which provided no equity value, whilst acknowledging the dilutive effect of the Fundraising for those Shareholders who have not participated in its pro rata to their current shareholdings.

However, if the Fundraising is not approved by Shareholders, the Restructuring Plan will not be capable of proceeding. In these circumstances, and absent material financial support from the Company's creditors or shareholders, which the Board considers unlikely, the Directors would need to proceed with the M&A Process. Based on feedback and the proposals received during the FSP, the Board considers it likely that one or more transactions would need to be executed through an insolvency process and therefore none of the proposals presented (or a combination thereof) would result in a financial return to Shareholders.

The Board therefore strongly recommends that Shareholders vote in favour of the resolutions required to approve the Fundraising. If the Fundraising is not approved, the Board believe that Shareholders are highly likely to lose all of their investment in the Company.

Irrevocable Undertakings to vote in favour of the Fundraising

The Board is pleased to announce a significant level of support from Shareholders for the Fundraising and confirms that it has received irrevocable undertakings to vote in favour of the resolutions required to approve the Fundraising at the forthcoming General Meeting from Shareholders who hold, in aggregate, 66,261,452 Existing Ordinary Shares representing 28.8 per cent. of the issued share capital of the Company. In addition, the Directors confirm that they intend to vote in favour of the resolutions in respect of their beneficial holdings of an aggregate of 2,283,493 Existing Ordinary Shares, representing approximately 0.99 per cent. of the issued share capital of the Company.

Further details of the General Meeting will be announced in due course.

Further announcements will be made as appropriate.

Terms not otherwise defined herein shall have the meanings given to them in the Company's circular to shareholders dated 15 April 2024, which remains available at the Company's website at <https://www.revolutionbarsgroup.com/media/1464/revolution-bars-group-circular.pdf>.

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If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be

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Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4). Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, 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.

Rule 26.1 disclosure

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available (subject to certain restrictions relating to persons resident in restricted jurisdictions) at <https://www.revolutionbarsgroup.com/investors/> by no later than 12 noon (London time) on the business day following the date of this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

Additional Information

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