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**FOR IMMEDIATE RELEASE**

12 August 2021

**Vectura Group plc ("Vectura")**  
**Update on final offers for Vectura Group plc**

The Vectura Directors note:

- the announcement made on 8 August 2021 by PMI Global Services Inc. ("PMI"), a wholly owned direct subsidiary of Philip Morris International Inc., of a revised cash offer of 165 pence per Vectura Share to be implemented by way of takeover offer, and that as PMI did not make an announcement prior to 5.00pm on 12 August 2021, in accordance with the statement of the Takeover Panel made on 9 August 2021 the revised cash offer of 165 pence per Vectura Share is PMI's final offer for Vectura (the "Final PMI Offer"); and
- the announcement made on 6 August 2021 by Murano Bidco Limited ("Carlyle"), a newly formed company indirectly controlled by funds managed by Carlyle Europe Partners V, of a revised cash offer of 155 pence per Vectura Share to be implemented by a scheme of arrangement (the "Carlyle Scheme"), which it announced on 10 August 2021 was its final offer for Vectura, (the "Final Carlyle Offer").

The price of 165 pence per Vectura Share payable under the terms of the Final PMI Offer is superior to the price of 155 pence per Vectura Share payable under the terms of the Final Carlyle Offer and represents:

- a premium of 10 pence (approximately 6.5 per cent) to the Final Carlyle Offer;
- an increase of 29 pence (approximately 21.3 per cent) to the offer announced by Carlyle on 26 May 2021, being the first offer received by Vectura;
- a premium of approximately 60.2 per cent to the Ex-Dividend Closing Price per Vectura Share of 103 pence on 25 May 2021 (being the last Business Day prior to commencement of the offer period in relation to Vectura);
- a premium of approximately 70.6 per cent to the volume weighted average Ex-Dividend Closing Price of 97 pence per Vectura Share for the 3 months ended 25 May 2021 (being the last Business Day prior to commencement of the offer period in relation to Vectura); and
- an aggregate value of approximately £1.1 billion for the entire issued and to be issued ordinary share capital of Vectura.

The Vectura Directors, who have been so advised by J.P. Morgan Cazenove and Rothschild & Co as to the financial terms of the Final PMI Offer, consider the terms of the Final PMI Offer to be fair and reasonable. In providing their financial advice to the Vectura Directors, J.P. Morgan Cazenove and Rothschild & Co have taken into account the commercial assessments of the Vectura Directors. Rothschild & Co is providing independent financial advice to the Vectura Directors for the purposes of Rule 3 of the Takeover Code.

The Vectura Directors appreciate Carlyle's interest in Vectura over this lengthy process and their support for Vectura's strategy to become one of the market leading CDMOs in the inhalation segment. However, the Vectura Directors recognise the superior cash price the Final PMI Offer provides Vectura shareholders. The Vectura Directors also note that wider stakeholders could benefit from PMI's significant financial

resources and its intentions to increase research and development investment and to operate Vectura as an autonomous business unit that will form the backbone of its inhaled therapeutics business. Accordingly, following careful consideration of these factors and their fiduciary duties, the Vectura Directors intend to unanimously recommend the PMI Offer to Vectura shareholders.

As a result, the Vectura Directors do not intend to reconvene the shareholder meetings required in relation to the approval and implementation of the Carlyle Scheme. Due to PMI switching from a scheme of arrangement to a takeover offer, as announced on 10 August 2021, the Vectura Directors intend to adjourn the shareholder meetings required in relation to the approval and implementation of this scheme of arrangement.

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Clifford Chance LLP is acting as legal adviser to Vectura.

Capitalised terms in this announcement shall, unless otherwise defined in this announcement, have the same meanings as given to them in the PMI Scheme Document dated 28 July 2021.

### **Further information**

*This announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, subscribe for, otherwise acquire, sell or otherwise dispose of any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. This announcement does not constitute a prospectus or a prospectus equivalent document.*

*The Acquisition is to be made by way of a takeover offer under Part 26 of the Companies Act 2006 (the "**Takeover Offer**"), any document by which the Takeover Offer is made which, together with the Forms of Proxy (or form of acceptance), contains the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition.*

*This announcement has been prepared for the purpose of complying with English law and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England and Wales.*

### **Important notice**

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

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*Numis Securities Limited ("**Numis**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Vectura and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters in this announcement and will not be responsible to anyone other than Vectura for providing the protections afforded to clients of Numis, nor for providing advice in relation to any matter referred to herein.*

### **Overseas shareholders**

*The release, publication or distribution of this announcement in or into certain jurisdictions other than the United Kingdom may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.*

*Unless otherwise determined by PMI or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition shall 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 within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this announcement 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 announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.*

*The availability of the Acquisition to Vectura Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.*

*The Acquisition is subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the FCA.*

### ***Additional information for US investors***

*The Acquisition relates to shares of a UK company and is proposed to be effected by means of a Takeover Offer. The Acquisition is being made for securities of a UK company and Vectura Shareholders in the United States should be aware that this document and any other documents relating to the Acquisition have been or will be prepared in accordance with the Takeover Code and UK disclosure requirements, format and style, all of which differ from those in the United States. Vectura's financial statements, and all financial information that is included in this document, or any other documents relating to the Acquisition, have been or will be prepared in accordance with IFRS and may not be comparable to financial statements of companies in the United States or other companies whose financial statements are prepared in accordance with US generally accepted accounting principles.*

*The Acquisition will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under United States domestic tender offer procedures and laws. US investors should note that once the Acquisition is declared unconditional in all respects, PMI will accept all Vectura Shares that have by that time been validly tendered in acceptance of the Acquisition and will, in accordance with the Takeover Code, pay for all such accepted Vectura Shares within 14 calendar days of such date, rather than the three trading days that US investors may be accustomed to in US domestic tender offers. Similarly, if the Acquisition is terminated or withdrawn, all documents of title will be returned to shareholders within 14 calendar days of such termination or withdrawal. Notwithstanding the foregoing, PMI will, to the extent practicable, pay for or return tendered Vectura Shares within seven to ten calendar days from the relevant date.*

*Neither the SEC nor any US state securities commission has approved or disapproved the Acquisition or passed upon the adequacy or completeness of this document. It may be difficult for US holders of Vectura securities to enforce their rights under any claim arising out of the US federal securities laws, since Vectura is located outside of the United States, and some or all of its officers and directors may be resident outside the United States.*

*Each Vectura 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.*

### ***Forward-looking statements***

*This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Vectura or any member of the Vectura Group contain statements which are, or may be deemed to be, "forward looking statements". 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 Vectura or any member of the Vectura 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 announcement relate to Vectura's or any member of the Vectura Group's future prospects, developments and business strategies, the expected timing and scope of*

*the Acquisition and other statements other than historical facts. In some cases, these forward looking statements can be identified by the use of forward looking terminology, including the terms "believes", "estimates", "will look to", "would look to", "plans", "prepares", "anticipates", "expects", "is expected to", "is subject to", "budget", "scheduled", "forecasts", "synergy", "strategy", "goal", "cost-saving", "projects" "intends", "may", "will", "shall" or "should" or their negatives or other variations or comparable terminology. 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 Vectura's or any member of the Vectura Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Vectura's or any member of the Vectura Group's respective businesses.*

*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 includes changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates, future business combinations or disposals, and any epidemic, pandemic or disease outbreak. 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.*

*Neither Vectura or any member of the Vectura 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 announcement shall actually occur. Given these risks and uncertainties, potential investors should not place any reliance on forward looking statements.*

*Specifically, statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. Due to the scale of the Vectura Group, there may be additional changes to the Vectura Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.*

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

*Vectura and the Vectura Group expressly disclaim 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.*

### ***Electronic communications***

*Please be aware that addresses, electronic addresses and certain other information provided by Vectura Shareholders, persons with information rights and participants in the Vectura Share Plans and other relevant persons for the receipt of communications from Vectura may be provided to PMI during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.*

### ***Publication on website***

*A copy of this announcement will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions) free of charge on Vectura's website at <https://www.Vectura.com> by no later than 12 noon (London time) on the first Business Day following the date of this announcement. For the avoidance of doubt, the contents of the website are not incorporated into and do not form part of this announcement.*

### ***Requesting hard copy documents***

*You may request a hard copy of this announcement by contacting Vectura's registrar, Computershare Investor Services Plc, on (0) 370 707 1387 (or from outside of the UK, on +44 (0)370 707 1387) between 8:30 a.m. to 5:30 p.m. Monday to Friday (excluding UK public holidays) or by submitting a request in writing to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. Please note that Computershare cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.*

***Rounding***

*Certain figures included in this announcement 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.*

***General***

*If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are a resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.*