

RNS Statement re Company Event

Statement regarding Innovaderma plc

CREIGHTONS PLC

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THIS IS AN ANNOUNCEMENT FALLING UNDER RULE 2.4 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CODE. THERE CAN BE NO CERTAINTY THAT ANY FIRM OFFER WILL BE MADE.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

2 February 2021

Creightons plc
("Creightons" or the "Company")
Statement regarding Innovaderma plc ("Innovaderma")

Creightons plc (LSE: CRL) manufacturers of personal care, beauty, and fragrance products, announces that it made a preliminary approach on 26 January 2021 to the Board of Innovaderma regarding a possible offer for Innovaderma. This approach was unequivocally rejected by the Innovaderma Board on 29 January 2021 without affording Creightons the benefit of any further discussion. The Board of Creightons continues to have a serious interest in the possibility of a combination of the two businesses, and is therefore publishing today, in the Appendix to this announcement, the text of its letter to the Board of Innovaderma ("Letter") in order that the shareholders of Innovaderma are directly aware of Creightons' interest.

The Letter states that "the Company's current thinking is that a ratio of 2 Creightons ordinary shares for every 3 Innovaderma ordinary shares would be an appropriate basis". Based upon the mid-market price per Creightons ordinary share as at the close of business on 1 February 2021 of 66p, this would represent a value of 44p per Innovaderma ordinary share and a premium of 3.5 per cent. over the mid-market price per Innovaderma ordinary share of 42.5p at the close of business on 1 February 2021. Based upon the current issued share capital of Innovaderma (17,393,633 ordinary shares), the number of Creightons ordinary shares so issued would represent approximately 15 per cent of Creightons' enlarged issued share capital.

This announcement does not constitute an announcement of a firm intention to make an offer under Rule 2.7 of the Code and there is no certainty that any firm offer will be made.

Pursuant to Rule 2.5 of the Code, Creightons reserves the right notwithstanding any terms mentioned in their letter to:

- (i) introduce other forms of consideration and/or to vary the form and/or mix of the consideration described in this announcement; and
- (ii) make an offer on less favourable terms:
 - a. with the recommendation or consent of the Board of Innovaderma;
 - b. if Innovaderma announces, declares or pays any dividend or any other distribution to shareholders, in which case Creightons will have the right to make an equivalent reduction to the proposed price;
 - c. if a third party announces a firm intention to make an offer for Innovaderma on less favourable terms than those set out in this announcement; or

d. following the announcement by Innovaderma of a whitewash transaction pursuant to the Code.

This announcement commences an offer period in respect of Innovaderma for the purposes of the Takeover Code. In accordance with Rule 2.6(a) of the Code, Creightons is required, by no later than 5.00 pm (London time) on 2 March, 2021, to announce a firm intention to make an offer for Innovaderma in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline can be extended with the consent of the Panel in accordance with Rule 2.6(c) of the Code.

In accordance with Rule 2.9 of the Code, Creightons confirms that it has 64,746,143 ordinary shares in issue. The ISIN reference for these securities is GB0002341666.

A further statement will be made as appropriate.

The person responsible for arranging the release of this announcement on behalf of Creightons is Nicholas O'Shea, Company Secretary, Creightons plc.

Enquiries

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Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% 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 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) 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% 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, 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 pm (London time) 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 will 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 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. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

Publication of this announcement

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available at www.creightonsplc.com/investors by no later than 12 noon (London time) on the business day following this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

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APPENDIX

Text of the Letter from the Board of Creightons to the Board of Innovaderma

The full text of the letter is reproduced below without material adjustment or amendment:

"Strictly Private & Confidential
Price Sensitive

Ross Andrews Esq
Chairman
Innovaderma plc
27 Old Gloucester Street
London WC1N 3AX
26 January 2021
Dear Ross,

Possible offer by Creightons PLC ("Creightons") for Innovaderma PLC ("Innovaderma")

Following our telephone conversation last week, I am writing to confirm our serious interest in combining our two businesses to the mutual benefit of both sets of shareholders.

Given our business' relative sizes and performances, we believe that your shareholders in particular would benefit from becoming part of an enlarged group. May I, therefore, please request that you put this interest before your Board and financial advisers with a view to our entering into discussions as to the basis on which a combination might be achieved.

Our current thinking is that a ratio of 2 Creightons ordinary shares for every 3 Innovaderma ordinary shares would be an appropriate basis and we would obviously want to seek to minimise the regulatory requirements, to which we would seek to work together.

When we spoke you invited me to outline the benefits that would come from combining our businesses, which we believe are complementary.

Creightons is a manufacturer and brand owner of personal care, beauty and fragrance products. Creightons is a stable, profitable and cash generating business, with the latest audited annual turnover of just under £50 million (some £30 million in the latest unaudited half year statement) and with a strong bottom line. We believe our balance sheet is strong and capable of supporting the combined growth of both companies, thereby reducing risk and increasing certainty of outcome for Innovaderma shareholders, and we are well supported in the market having seen our share price more than double in the last three years.

Creightons has a diverse customer base and retains a comprehensive R&D and manufacturing capability in the United Kingdom, and is on record as committed to growing the business substantially. We own an 11-acre site in Peterborough (our main manufacturing site) which we occupy exclusively and which offers opportunity for continued expansion.

We note Innovaderma has a digital capability and owns brands that would complement Creighton's current offering.

We further note the Code/listing obligations on both our companies and should you wish to announce that we have made this approach to you before you reply to this letter we will understand, since it will probably be obligatory on one of us to announce at some stage.

I look forward to hearing from you.

Yours sincerely,

B Johnson

Managing Director
Creightons plc

Important Notice

It is emphasised that this letter does not constitute an offer (or impose any obligation on us to make an offer) nor does it evidence a firm intention to make an offer within the meaning of the Code. Nothing in this letter should, therefore, be regarded as amounting to any commitment to make or proceed with an offer or as forming the basis for any announcement pursuant to Rule 2.2 of the Code or otherwise.

The indicative terms set out in this letter are not legally binding and are subject inter alia to Creightons board approval and this letter is not intended to constitute and shall not in any circumstances constitute the basis of any agreement between Creightons, Innovaderma or any third party.

We nevertheless reserve the right either to announce the existence and contents of our approach and/or to proceed with an offer notwithstanding the above."

ENDS

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