

THIS DOCUMENT AND OTHER ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 immediately, if you are in the United Kingdom, or from another appropriately authorised independent professional adviser if you are taking advice in a territory outside the United Kingdom.

If you sell, transfer, have sold or otherwise have transferred all of your Barratt Shares, please send this Circular, together with the accompanying documents (except the personalised Form of Proxy), at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, such documents should not be forwarded, distributed or transmitted, in whole or in part, in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you sell, transfer, have sold or otherwise have transferred part only of your holding of Barratt Shares, please retain this Circular and the accompanying documents and contact immediately the bank, stockbroker or other agent through whom the sale or transfer was effected.

The release, publication or distribution of this Circular and any accompanying documents (in whole or in part) in, into or from jurisdictions other than the United Kingdom, and the allotment and issue of the New Barratt Shares in jurisdictions other than the United Kingdom, may be restricted by the laws of those jurisdictions and therefore persons outside the United Kingdom into whose possession this Circular and/or any accompanying document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Any person (including, without limitation, custodians, nominees and trustees) who may have a contractual or legal obligation or may otherwise intend to forward this Circular and any accompanying documents to any jurisdiction outside the United Kingdom should seek appropriate advice before taking any such action.



BARRATT
DEVELOPMENTS PLC

Barratt Developments plc

(a public limited company incorporated in England and Wales with registered number 00604574)

Recommended all-share offer for the combination of Barratt Developments plc and Redrow plc, pursuant to which Barratt Developments plc will acquire the entire issued and to be issued ordinary share capital of Redrow plc by means of a scheme of arrangement of Redrow plc under Part 26 of the Companies Act 2006

Circular to Barratt Shareholders and Notice of Barratt General Meeting

*Lead Financial Adviser, Sole Sponsor and
Corporate Broker*

UBS AG London Branch

Financial Adviser

Morgan Stanley & Co. International plc

A prospectus relating to Barratt, the Combination and Admission, prepared in accordance with the Prospectus Regulation Rules, has been made available on the Company's website at www.barrattdevelopments.co.uk. Alternatively, Barratt Shareholders may, subject to applicable securities law, request a copy of the Prospectus by contacting the Registrar, Equiniti Group ("Equiniti"), at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, or between 8.30 a.m. and 5.30 p.m. (UK time), Monday to Friday (except public holidays in England and Wales), on +44 371 384 2657. If calling from outside the UK, please ensure the country code is used. Please provide your full name and the full address to which the hard copy may be sent (calls may be recorded and monitored for training and security purposes).

This document (including all information incorporated into this Circular by reference to another source) should be read as a whole and in conjunction with the Form of Proxy. This document is not a prospectus, but a shareholder circular, and neither it nor any of the accompanying documents constitute or are intended to constitute or form part of any offer, invitation or solicitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue any securities, or the solicitation of any vote or approval in connection with the Combination or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document is a circular which has been prepared in accordance with the Listing Rules and approved by the FCA to comply with English law and applicable regulations and the information disclosed may not be the same as that which would have been disclosed if this Circular or the accompanying documents had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

The Combination will be made solely through the Scheme Document, which will contain the full terms and conditions of the Combination, including details of how the Combination may be accepted by Redrow Shareholders. Any acceptance or other response to the Combination should be made only on the basis of the information in the Scheme Document.

Your attention is drawn to the letter from the Chair of Barratt in Part II—“*Letter from the Chair*” of this Circular which contains the unanimous recommendation of the Barratt Board that you vote in favour of the Barratt Resolution to be proposed at the Barratt General Meeting referred to below. Please read the whole of this Circular and, in particular, the risks and other factors that should be taken into account when considering what action you should take in connection with the Barratt General Meeting, as set out in Part III—“*Risk factors*” of this Circular. You should not rely solely on the information included or summarised in this Circular.

Notice of the Barratt General Meeting to be held at the Seligman Theatre, Royal College of Physicians, 11 Saint Andrew’s Place, London, NW1 4LE, at 10.00 a.m. on 15 May 2024 (or any adjournment thereof) is set out at Part IX—“*Notice of Barratt General Meeting*” of this Circular. Whether or not you intend to attend the Barratt General Meeting in person, you are asked to complete, sign and return the Form of Proxy that accompanies this Circular (or appoint a proxy electronically, as referred to in this Circular) in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by the Registrar not later than 10.00 a.m. on 13 May 2024 (or, if the Barratt General Meeting is adjourned, not later than 48 hours before the time appointed for the adjourned meeting, excluding any part of a day that is not a working day). If you hold Barratt Shares in CREST, you may appoint a proxy through the CREST electronic proxy appointment service. Details of the CREST electronic appointment method are found in Note 8 of the Notice of Barratt General Meeting set out at Part IX—“*Notice of Barratt General Meeting*” of this Circular. The return of a completed Form of Proxy or the appointment of a proxy electronically or through CREST will not preclude you from attending, speaking and voting at the Barratt General Meeting in person if you are entitled and wish to do so.

Certain terms used in this Circular are defined in Part VIII—“*Definitions and Glossary*” of this Circular.

If you have any questions about this Circular or the Barratt General Meeting, or are in any doubt about how to complete the Form of Proxy, please call Equiniti between 8.30 a.m. and 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales) on +44 371 384 2657. If calling from outside the UK, please ensure the country code is used. Calls are charged at the standard geographic rate and will vary by provider. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Equiniti cannot provide legal, tax or financial advice or advice on the merits of the Combination.

Application will be made by the Company to the FCA for the New Barratt Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New Barratt Shares to be admitted to trading on its Main Market. No application has been made or is currently intended to be made by the Company for the New Barratt Shares to be admitted to listing or trading on any other exchange. Following Completion, the New Barratt Shares will be issued as fully paid and will rank *pari passu* in all respects with the Barratt Shares in issue at the time the New Barratt Shares are issued pursuant to the Combination.

Barratt Shareholders should only rely on the information contained in this Circular and the Prospectus. No person has been authorised to give any information or make any representations other than those contained in, or incorporated into, this Circular or the Prospectus and, if given or made, such information or representations must not be relied upon as having been so authorised by the Company, Redrow, the Barratt Directors, the Redrow Directors, the Banks or any other person involved in the Combination. Without prejudice to any legal or regulatory obligation on the Company to publish a supplementary prospectus pursuant to section 87G of the FSMA and Prospectus Regulation Rule 3.4, or a supplementary circular pursuant to Listing Rule 10.5.4R, neither the delivery of this Circular nor the holding of the Barratt General Meeting, nor Admission shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Barratt Group or the Redrow Group since the date of this Circular or that the information in, or incorporated into, this Circular is correct as at any time after its date.

GENERAL

The contents of this Circular are not to be construed as legal, business or tax advice. Recipients of this Circular should consult their own lawyer, financial adviser or tax adviser for legal, financial or tax advice, as appropriate. Furthermore, the Company, the Barratt Directors, UBS AG London Branch (“**UBS**”) and Morgan Stanley & Co. International plc (“**Morgan Stanley**”) and together with UBS, the “**Banks**”) accept no

responsibility for the accuracy or completeness of any information reported by the press or other media, or the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media, regarding the Combination, Admission, the Barratt Group or the Redrow Group. The Company, the Barratt Directors, UBS and Morgan Stanley make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

Recipients of this Circular may not reproduce or distribute this Circular, in whole or in part, and may not disclose any of the contents of this Circular or use any information herein for any purpose other than considering the Combination. Such recipients of this Circular agree to the foregoing by accepting delivery of this Circular.

UBS AG London Branch is authorised and regulated by the Financial Market Supervisory Authority in Switzerland. It is authorised by the Prudential Regulation Authority (the “**PRA**”) and subject to regulation by the FCA and limited regulation by the PRA in the United Kingdom. UBS is acting exclusively for the Company and no one else in connection with the Combination and the matters set out in this Circular. UBS will not regard any other person (whether or not a recipient of this Circular) as a client in relation to the Combination and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for the giving of advice in relation to the Combination, Admission, or any transaction, matter or arrangement referred to in this Circular.

Morgan Stanley & Co. International plc (“**Morgan Stanley**”), which is authorised by the PRA and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively as financial adviser to the Company and no one else in connection with the Combination. In connection with such matters, Morgan Stanley, its affiliates and their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to anyone other than the Company for providing the protections afforded to their clients or for providing advice in relation to the Combination, the contents of this Circular or any matter referred to in this Circular.

UBS, Morgan Stanley and their respective affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services to, the Company and its affiliates, for which they received customary fees. UBS, Morgan Stanley and their respective affiliates may provide such services to Barratt and its affiliates in the future.

Barratt Shareholders and prospective investors in the Barratt Shares (including the New Barratt Shares) will be deemed to have acknowledged that they have not relied on UBS, Morgan Stanley or any person affiliated with them in connection with any investigation of the accuracy of any information contained in this Circular for their investment decision.

Apart from the responsibilities and liabilities, if any, which may be imposed on UBS and Morgan Stanley by the FSMA or the regulatory regime established thereunder or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither of UBS or Morgan Stanley (together, the “**Banks**”) nor any of their respective subsidiaries, holding companies, branches and affiliates nor any of their respective directors, officers, employees, agents or advisers owes or accepts or shall assume any duty, responsibility or liability whatsoever (whether direct or indirect and whether arising in contract, in tort, under statute or otherwise) to any person in relation to the contents of this Circular or the Combination, Admission or any other matter or arrangement referred to in this Circular or for any acts or omissions of the Company and no representation or warranty, express or implied, is made by any of them as to the contents of this Circular, including its accuracy, completeness, verification or sufficiency, or for any other statement made or purported to be made by the Company, or on its behalf, or by any of the Banks, or on their behalf, in connection with the Company, Redrow, the Barratt Group, the Redrow Group, the Combined Group, the Combination, the Admission or the New Barratt Shares, and nothing in this Circular is, or shall be relied upon as, a promise or representation in this respect, whether or not to the past or future. To the fullest extent permitted by law, the Banks and their respective subsidiaries, holding companies, branches and affiliates and their respective directors, officers, employees, agents or advisers accordingly disclaim all and any duty, responsibility or liability whatsoever (whether direct or indirect and whether arising in tort, contract, under statute or otherwise (save as referred to above)) which they might otherwise be found to have in respect of this Circular or any such statement or otherwise.

This document has been published solely in connection with the Combination. Those considering Admission, including the risks relevant to Admission, the Barratt Shares and the Combined Group, should rely only on the information in the Prospectus.

ADDITIONAL INFORMATION FOR US SHAREHOLDERS

The Barratt Shares (including the New Barratt Shares) have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The New Barratt Shares to be issued to Redrow Shareholders pursuant to the Combination are expected to be issued in reliance upon an exemption from the registration requirements of the US Securities Act afforded by section 3(a)(10) thereof and exemptions from registration and qualification under applicable state securities laws. Redrow Shareholders who will be affiliates (within the meaning of the US Securities Act) of Barratt or Redrow prior to, or of Barratt after, the Scheme Effective Date will be subject to certain US transfer restrictions relating to the New Barratt Shares received in connection with the Scheme.

The Barratt Shares (including the New Barratt Shares) have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Barratt Shares or the accuracy or adequacy of this Circular. Any representation to the contrary is a criminal offence in the United States.

OVERSEAS SHAREHOLDERS

The New Barratt Shares have not been, and will not be, registered under the applicable securities laws of any jurisdiction outside the United Kingdom. Accordingly, the New Barratt Shares may not be offered, sold, delivered or otherwise transferred, directly or indirectly, in, into or from any such jurisdiction, or to, or for, the account or benefit of citizens or residents of any such jurisdiction, except pursuant to an applicable exemption from, or in a transaction not subject to, applicable securities laws of those jurisdictions or as otherwise permitted under the applicable securities laws of those jurisdictions. Barratt Shareholders outside the United Kingdom are required by the Company to inform themselves about and observe any restrictions on the offer, sale or transfer of the New Barratt Shares.

No action has been taken by the Company or the Banks to obtain any approval, authorisation or exemption to permit the allotment or issue of the New Barratt Shares or the possession or distribution of this Circular (or any other publicity material relating to the New Barratt Shares) in any jurisdiction other than the United Kingdom.

Unless otherwise determined by the Company or required by and permitted by applicable law and regulation, the Combination will not be implemented and documentation relating to the Combination shall not be made available, directly or indirectly, in, into or from an excluded territory where to do so would violate the laws of that jurisdiction (an “**Excluded Territory**”) and no person may vote their Barratt Shares with respect to the Combination at the Barratt General Meeting, or execute and deliver Forms of Proxy appointing another to vote at the Barratt General Meeting on their behalf, by any use, means, instrumentality or form within an Excluded Territory or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Circular are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from any Excluded Territory and persons with access to this Circular and any other documents relating to the Combination (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in, into or from any Excluded Territory. Persons who are not resident in the United Kingdom or who are subject to the laws and/or regulations of another jurisdiction should inform themselves of, and should observe, any applicable requirements.

It is the responsibility of each person into whose possession this Circular comes to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection with the distribution of this Circular, the issuance of the New Barratt Shares and the implementation of the Combination and to obtain any governmental, exchange control or other consents which may be required, to comply with other formalities which are required to be observed and to pay any issue, transfer or other taxes due in such jurisdiction. To the fullest extent permitted by applicable law, the Company, Redrow, the Barratt Board, the Redrow Directors, the Banks and all other persons involved in the Combination disclaim any responsibility or liability for the failure to satisfy any such laws, regulations or requirements by any person.

This document is dated 19 April 2024.

TABLE OF CONTENTS

	Page
EXPECTED TIMETABLE OF PRINCIPAL EVENTS	1
INDICATIVE STATISTICS	3
PART I ACTION TO BE TAKEN	4
PART II LETTER FROM THE CHAIR	6
PART III RISK FACTORS	28
PART IV PRESENTATION OF INFORMATION	37
PART V HISTORICAL FINANCIAL INFORMATION RELATING TO THE REDROW GROUP	42
PART VI PRO FORMA FINANCIAL INFORMATION FOR THE COMBINED GROUP	43
PART VII ADDITIONAL INFORMATION	50
PART VIII DEFINITIONS AND GLOSSARY	58
PART IX NOTICE OF BARRATT GENERAL MEETING	66
APPENDIX I QUANTIFIED FINANCIAL BENEFITS STATEMENT	71

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The dates and times given in the table below in connection with the Combination are indicative only and are based on the Company's current expectations and are subject to change. In particular, the dates and times associated with the Scheme are indicative only and are subject to change, and will depend on, among other things, the date on which the Conditions to the Scheme are satisfied or, if capable of waiver, waived, and the date on which the Court sanctions the Scheme and the Court Order is delivered to the Registrar of Companies. Barratt will give adequate notice to Barratt Shareholders of any changes to these dates and times, when known, by issuing an announcement through a Regulatory Information Service. All times shown are London, United Kingdom times unless otherwise stated.

EVENT	TIME AND/OR DATE
Announcement of the Combination	7.01 a.m. on 7 February 2024
Publication of the Prospectus and posting of the Circular and the Scheme Document	19 April 2024
Latest time and date for lodging Forms of Proxy (or appointing a proxy electronically or submitting a proxy via CREST) for the Barratt General Meeting	10.00 a.m. on 13 May 2024
Latest time and date for lodging Forms of Proxy (or appointing a proxy electronically or submitting a proxy via CREST) for the Redrow Court Meeting	11.00 a.m. on 13 May 2024 ⁽¹⁾
Latest time and date for lodging Forms of Proxy (or appointing a proxy electronically or submitting a proxy via CREST) for the Redrow General Meeting	11.15 a.m. on 13 May 2024 ⁽²⁾
Scheme Voting Record Time	6.00 p.m. on 13 May 2024 ⁽³⁾
Voting Record Time for the Redrow General Meeting	6.00 p.m. on 13 May 2024 ⁽⁴⁾
Voting Record Time for the Barratt General Meeting	6.30 p.m. on 13 May 2024 ⁽⁵⁾
Barratt General Meeting	10.00 a.m. on 15 May 2024⁽⁶⁾
Redrow Court Meeting	11.00 a.m. on 15 May 2024
Redrow General Meeting	11.15 a.m. on 15 May 2024 ⁽⁷⁾
Court Hearing to seek sanction of the Scheme	a date expected to be in the second half of 2024, subject to the satisfaction (or, if applicable, waiver) of the relevant Conditions and, in any event, prior to the Longstop Date ("D")
Last day for dealings in, and for registration of transfer of, and disablement in CREST of, Redrow Shares	D+1*
Scheme Record Time	6.00 p.m. on D+1*
Scheme Effective Date	D+1* ⁽⁸⁾
Suspension of trading, and dealings in, Redrow Shares	7.30 a.m. on D+2*
New Barratt Shares issued to Redrow Shareholders	by 8.00 a.m. on D+3*
Admission and commencement of dealings in the New Barratt Shares on the Main Market of the London Stock Exchange	by 8.00 a.m. on D+3*
Cancellation of listing and admission to trading of Redrow Shares	by 8.00 a.m. on D+3*
CREST accounts of Redrow Shareholders credited with New Barratt Shares	on or as soon as possible after 8.00 a.m. on D+3* but not later than 14 days after the Scheme Effective Date

EVENT	TIME AND/OR DATE
Latest date for CREST accounts to be credited with New Barratt Shares and despatch of share certificates in respect of New Barratt Shares to be issued	within 14 days after the Scheme Effective Date
CREST accounts of Redrow Shareholders credited with cash due in relation to the sale of fractional entitlements	within 14 days after the Scheme Effective Date
Longstop Date	7 February 2025 ⁽⁹⁾

Notes:

- (1) It is requested that BLUE Forms of Proxy for the Redrow Court Meeting be lodged not later than 48 hours prior to the time appointed for the Redrow Court Meeting or, if the Redrow Court Meeting is adjourned, 48 hours prior to the time fixed for any adjourned Redrow Court Meeting (excluding any part of such 48 hour period falling on a day that is not a working day). If the BLUE Form of Proxy for the Redrow Court Meeting is not lodged by 11.00 a.m. on 13 May 2024, it may be presented in person to the Computershare representative who will be present at the Redrow Court Meeting or to the Chair of the Redrow Court Meeting, at any time prior to the commencement of the Redrow Court Meeting (or any adjournment thereof)
 - (2) In order to be valid, the WHITE Forms of Proxy for the Redrow General Meeting must be lodged not later than 11.15 a.m. on 13 May 2024 or, if the Redrow General Meeting is adjourned, 48 hours prior to the time fixed for the adjourned Redrow General Meeting (excluding any part of such 48 hour period falling on a day that is not a working day)
 - (3) If the Redrow Court Meeting is adjourned, the Scheme Voting Record Time will be 6.00 p.m. on the day which is two Business Days prior to the date of the Redrow Court Meeting.
 - (4) If the Redrow General Meeting is adjourned, the Voting Record Time for the Redrow General Meeting will be 6.00 p.m. on the day which is two Business Days prior to the date of the Redrow General Meeting
 - (5) To be entitled to attend, speak, and vote at the Barratt General Meeting (and for the purpose of the determination by the Company of the votes they may cast), members must be registered on the register of members of the Company at 6.30 p.m. on 13 May 2024 (or, in the event of any adjournment, at 6.30 p.m. on the date which is two Business Days before the time of the adjourned meeting). Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Barratt General Meeting
 - (6) If the Barratt General Meeting is adjourned, the Voting Record Time for the Barratt General Meeting will be 6.30 p.m. on the day which is two Business Days prior to the date of the Barratt General Meeting.
 - (7) To commence at the time fixed or as soon thereafter as the Redrow Court Meeting concludes or is adjourned
 - (8) The Scheme shall become effective as soon as a copy of the Court Order has been delivered to the Registrar of Companies. This is expected to occur following the Scheme Record Time and prior to the suspension of trading in Redrow Shares. The events which are stated as occurring on subsequent dates are conditional on the Scheme Effective Date and operate by reference to that date
 - (9) This is the latest date by which the Scheme may become effective, provided that a Phase 2 CMA Reference has not occurred. However, the Longstop Date will be extended to 7 August 2025 in the event of a Phase 2 CMA Reference and, in either case, may be extended to such later date as may be agreed in writing by Barratt and Redrow (with the Panel's consent and Court approval (if such approval(s) are required))
- * All dates by reference to "D+1", "D+2" and "D+3" will be to the date falling the number of indicated Business Days immediately after date "D", as indicated above

INDICATIVE STATISTICS

Number of Barratt Shares in issue at Latest Practicable Date ⁽¹⁾	974,592,261
Number of New Barratt Shares to be issued as consideration for the Combination ⁽²⁾	476,309,153
Number of Barratt Shares in issue immediately following Completion (the “ Combined Issued Share Capital ”) ⁽³⁾	1,450,901,414
New Barratt Shares as a percentage of the Combined Issued Share Capital immediately following Completion ⁽⁴⁾	32.8%

Notes:

- (1) Number of Barratt Shares in issue as at 17 April 2024, being the latest practicable date prior to the publication of this Circular (the “**Latest Practicable Date**”). As at the Latest Practicable Date, Barratt held no Barratt Shares in treasury.
- (2) Number of Barratt Shares to be issued to Redrow Shareholders in respect of their shareholding in Barratt in part consideration for the Combination (“**New Barratt Shares**”).
- (3) An estimation based on the number of Barratt Shares in issue as at the Latest Practicable Date and the issue of 476,309,153 New Barratt Shares as consideration for the Combination.
- (4) An estimation based on the number of Barratt Shares in issue as at the Latest Practicable Date and the issue of 476,309,153 New Barratt Shares as consideration for the Combination.

**PART I
ACTION TO BE TAKEN**

1 General summary

On 7 February 2024, the Barratt Board and the Redrow Board jointly announced that they had reached an agreement on the terms of a recommended all-share offer for the combination of Barratt and Redrow, pursuant to which Barratt will acquire the entire issued and to be issued ordinary share capital of Redrow to form the Combined Group. It is intended that the Combination will be effected by means of a court-approved scheme of arrangement between Redrow and the Redrow Shareholders, who are on the register of members of Redrow at the Scheme Record Time, under Part 26 of the Companies Act, although Barratt reserves the right to implement the Combination by means of a Takeover Offer (subject to the consent of the Panel and the terms of the Co-operation Agreement).

Barratt is seeking approval of the Combination and the Barratt Resolution at the Barratt General Meeting. Please read the notes to the Notice of Barratt General Meeting attached as Part IX—“*Notice of Barratt General Meeting*” of this Circular for an explanation of how to attend and vote at the Barratt General Meeting, including how to appoint a proxy to attend and vote on your behalf.

The key steps for Barratt Shareholders are as follows:

<u>Decision/Action</u>	<u>Registering Your Vote</u>	<u>Further Information</u>
Determine whether to approve the Combination at the Barratt General Meeting to be held at the Seligman Theatre, Royal College of Physicians, 11 Saint Andrew’s Place, London, NW1 4LE, on 15 May 2024 at 10.00 a.m. by voting in favour of the Barratt Resolution	<ul style="list-style-type: none">• Form of Proxy / Online proxy appointment / CREST Proxy Instruction / Proximity• Attend and vote at the Barratt General Meeting	<ul style="list-style-type: none">• Section 2 below for details of the actions you need to take to vote on the Barratt Resolution• The risk factors in Part III—“<i>Risk factors</i>” of this Circular

2 Important action to be taken in relation to voting at the Barratt General Meeting

The Combination will require, amongst other conditions, the approval of Barratt Shareholders at the Barratt General Meeting to be held at the Seligman Theatre, Royal College of Physicians, 11 Saint Andrew’s Place, London, NW1 4LE at 10.00 a.m. on 15 May 2024. Barratt Shareholders should read the Notice of Barratt General Meeting at Part IX—“*Notice of Barratt General Meeting*” of this Circular for the full text of the Barratt Resolution and for further details about the Barratt General Meeting.

Barratt Shareholders may vote in person at the Barratt General Meeting or they may appoint another person as their proxy to attend, speak and vote in their place. A proxy need not be a member of Barratt. Barratt Shareholders may appoint more than one proxy in relation to the Barratt General Meeting provided that each proxy is appointed to exercise the rights attached to different Barratt Shares held by that Barratt Shareholder. The appointment of a proxy will not prevent a member from subsequently attending, voting and speaking at the Barratt General Meeting, in which case any votes of the proxy will not be counted.

You will find enclosed a Form of Proxy for the Barratt General Meeting. Whether or not you intend to attend the Barratt General Meeting, please complete and sign the Form of Proxy and return it to Equiniti at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA as soon as possible, but, in any event, so as to be received no later than 10.00 a.m. on 13 May 2024. This will enable your vote(s) to be counted at the Barratt General Meeting in the event of your absence. If the Form of Proxy is not returned by 10.00 a.m. on 13 May 2024, it will be invalid.

Alternatively, you may wish to register your proxy vote online; to do so, visit www.sharevote.co.uk where details of the procedure are shown. The Voting ID, Task ID and Shareholder Reference Number shown on the Form of Proxy will be required to complete the procedure. Details of the process for registering online are also set out in the Form of Proxy. The deadline for receipt of electronic proxies is 10.00 a.m. on 13 May 2024.

If you hold your Barratt Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction form so that it is received by Equiniti (under CREST participant ID RA19) by

no later than 10.00 a.m. on 13 May 2024. The time of receipt will be taken to be the time from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Institutional investors may be able to appoint a proxy electronically via the Proxymity platform. Further information regarding Proxymity can be found on www.proxymity.io. Proxies must be lodged by 10.00 a.m. on 13 May 2024.

The completion and return of a Form of Proxy, registration of an online proxy appointment or completion and transmission of a CREST Proxy Instruction will not prevent you from attending the Barratt General Meeting and voting in person if you wish to do so.

It is important that as many votes as possible are cast. You are encouraged to appoint a proxy in accordance with the instructions set out in this Part I—“*Action to be taken*” as soon as possible.

This Part I should be read in conjunction with the rest of the Circular and the accompanying Form of Proxy.

3 Helplines

If you have any questions about this Circular or the Barratt General Meeting or are in any doubt as to how to complete the Form of Proxy, please call Equiniti between 8.30 a.m. and 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales) on +44 371 384 2657. If calling from outside the UK, please ensure the country code is used. Calls are charged at the standard geographic rate and will vary by provider. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Equiniti cannot provide legal, tax or financial advice or advice on the merits of the Combination.

**PART II
LETTER FROM THE CHAIR**



BARRATT
DEVELOPMENTS PLC

(incorporated in England and Wales with registered number 00604574)

Directors:

Caroline Silver
David Thomas
Steven Boyes
Mike Scott
Jock Lennox
Katie Bickerstaffe
Jasi Halai
Nigel Webb
Chris Weston

Registered office:

Barratt House
Cartwright Way
Forest Business Park
Bardon Hill
Coalville
Leicestershire
LE67 1UF
United Kingdom

19 April 2024

Dear Barratt Shareholder

Recommended all-share offer for the combination of Barratt Developments plc and Redrow plc, pursuant to which Barratt Developments plc will acquire the entire issued and to be issued ordinary share capital of Redrow plc by means of a scheme of arrangement of Redrow plc under Part 26 of the Companies Act 2006

1 Introduction

On 7 February 2024, the Barratt Board and the Redrow Board jointly announced that they had reached agreement on the terms of a recommended all-share offer for the combination of Barratt and Redrow, pursuant to which Barratt will acquire the entire issued and to be issued ordinary share capital of Redrow to form the Combined Group. It is intended that the Combination will be effected by means of a Court-approved scheme of arrangement between Redrow and the Redrow Shareholders, who are on the register of members of Redrow at the Scheme Record Time, under Part 26 of the Companies Act, although Barratt reserves the right to implement the Combination by means of a Takeover Offer (subject to the consent of the Panel and the terms of the Co-operation Agreement).

Under the terms of the Combination, each Redrow Shareholder will receive:

for each Redrow Share

1.44 New Barratt Shares

Under the terms of the Combination, Redrow Shareholders will, in aggregate, receive approximately 476,309,153 New Barratt Shares.

On the basis of the Closing Price per Barratt Share of 446 pence as at the Latest Practicable Date, the terms of the Combination imply a value of 642 pence per Redrow Share, valuing the entire issued and to be issued ordinary share capital of Redrow at approximately £2,124 million.

The terms of the Combination represent a premium of approximately 2 per cent. to the Closing Price per Redrow Share of 630 pence on the Latest Practicable Date and a premium of approximately 27.2 per cent. to the Closing Price per Redrow Share of 600 pence on 6 February 2024 (being the latest practicable date prior to the 2.7 Announcement).

Immediately following Completion, Redrow Shareholders will hold approximately 32.8 per cent. of the share capital of the Combined Group at Completion. The Combination is expected to become effective during the second half of 2024 and, in any event, prior to the Longstop Date, subject to satisfaction or (where applicable) waiver of the relevant Conditions and certain further terms and conditions set out in the Scheme Document.

Following Completion, the New Barratt Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Barratt Shares in issue at the time the New Barratt Shares are issued pursuant to the

Combination, including, subject as outlined in paragraph 8 below, the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid, or any other return of value (whether by reduction of share capital or share premium account or otherwise) made, in each case by reference to a record date falling on or after the Scheme Effective Date, save for any Barratt Additional Permitted Dividends and any Barratt Equalising Dividend. Further details of the New Barratt Shares are provided at paragraph 12 of this Part II—“*Letter from the Chair*”.

Applications will be made to the FCA for the New Barratt Shares to be admitted to the premium listing segment of the Official List (or, if there is no premium listing segment, the same listing segment as the Existing Shares are trading on) and to the London Stock Exchange for the New Barratt Shares to be admitted to trading on the London Stock Exchange’s Main Market for listed securities alongside the Existing Shares.

The Redrow Shares acquired under the Combination will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third-party rights or interests of any nature and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of value (whether by reduction of share capital or share premium account or otherwise) made or paid on or after the Scheme Effective Date, save for the Redrow Interim Dividend, any Redrow Additional Permitted Dividends and any Redrow Equalising Dividend.

In view of the size of the transaction, the Combination constitutes a Class 1 transaction (as defined in the Listing Rules) for Barratt and, therefore, requires the approval of Barratt Shareholders at the Barratt General Meeting. The Barratt General Meeting required to implement the Combination has been convened for 10.00 a.m. on 15 May 2024 (or any adjournment thereof) at the Seligman Theatre, Royal College of Physicians, 11 Saint Andrew’s Place, London, NW1 4LE for Barratt Shareholders to consider and, if thought fit, approve the Barratt Resolution. An explanation of the Barratt Resolution is set out in paragraph 17 of this letter and the notice convening the Barratt General Meeting is set out in Part IX—“*Notice of Barratt General Meeting*” of this Circular.

I am writing to you to: (i) explain the background to and reasons for the Combination; (ii) provide you with information about Redrow; (iii) explain why the Barratt Board unanimously considers the Combination to be in the best interests of the Barratt Shareholders as a whole; and (iv) recommend that you vote in favour of the Barratt Resolution to be proposed at the Barratt General Meeting.

Details of the actions Barratt Shareholders should take, and the recommendation of the Barratt Board, are set out in Part I—“*Action to be taken*” and paragraph 20 of this Part II—“*Letter from the Chair*”, respectively.

The structure of the Scheme and the Conditions relating to the Combination are summarised at paragraph 10 of this Part II.

2 Background to and reasons for the Combination

The Barratt Directors and the Redrow Directors believe that the Combination will build on the excellent reputations for quality, service and sustainability that both Barratt and Redrow have developed, creating an exceptional UK homebuilder in those areas, delivering excellence and driving innovation for customers, employees, sub-contractors and the supply chain. The Combination will bring together two companies with highly complementary geographic footprints and three highly respected brands—Barratt Homes, David Wilson Homes and Redrow—with which to accelerate the delivery of much-needed homes across the UK and provide the opportunity for shareholders to participate in future value creation in the Combined Group.

The Barratt Directors and the Redrow Directors believe the Combination is a uniquely compelling opportunity to:

2.1 Bring together complementary offerings to create an exceptional UK homebuilder in terms of quality, service and sustainability

The Barratt Directors and the Redrow Directors believe that the Combined Group will bring together two organisations with likeminded cultures and a shared commitment to customers, creating an exceptional UK homebuilder in terms of quality, service and sustainability, delivering excellence and driving innovation for customers, employees, sub-contractors and the supply chain.

The Combination brings together Barratt's and Redrow's highly complementary geographic footprints and product offerings to create an attractive portfolio of sites in progress, a strong total land pipeline of 92,345 plots¹ and the capacity to accelerate delivery of homes and together build in excess of 22,000 homes per annum in the medium term.

Barratt and Redrow are companies which put the customer firmly at the heart of everything they do:

- **Quality:** Barratt is dedicated to delivering high-quality, sustainable homes which are built to the highest standards. Barratt's site managers have been awarded more "Pride in the Job" Awards than any other homebuilder for 19 years in a row. Redrow shares this commitment, also receiving a significant number (20) of "Pride in the Job" Awards in 2023.
- **Service:** Barratt is committed to putting its customers first and in 2024 was awarded an HBF 5 Star rating by its customers for the 15th successive year, more than any other homebuilder. Redrow also has a strong track record of achieving 5-star HBF customer satisfaction ratings for six consecutive years.
- **Sustainability:** Barratt and Redrow share a commitment to sustainability. Barratt is included in the CDP A List for Leadership on sustainability and was awarded the 2023 Innovation Award for its eHome2 project which reflects Barratt's pioneering efforts towards a low carbon and climate resilient future. Redrow holds an AA MSCI ESG rating for its commitment to environmental, social and governance (ESG) investment standards and remains a constituent of the FTSE4Good Index Series for its continued demonstration of strong ESG practices.

2.2 Create a strong brand portfolio with three high-quality, complementary brands including Redrow positioned as its premium brand

Against the backdrop of a significant shortage of homes in the UK, the Combination creates an enhanced platform to accelerate the delivery of high-quality homes through a three-brand strategy. The Combined Group will add the Redrow brand to Barratt's existing brand portfolio (consisting of Barratt Homes and David Wilson Homes) to create a broader offering for customers, across a greater range of home types and price points.

The Barratt Directors and the Redrow Directors see potential to accelerate land pipeline utilisation by introducing Redrow brands on certain appropriate Barratt sites and vice versa. Multi-branded sites have strategic benefits, diversifying appeal to customers and in Barratt's experience its dual-branded sites have sales volumes that are meaningfully higher than single-branded sites.

For example, Barratt successfully dual-branded the Greytowers Village site in the North-East of England in Nunthorpe, near Middlesbrough, meaningfully increasing completions and the reservation rate as a result. Greytowers Village was a David Wilson Homes site when acquired and subsequently Barratt dual-branded Greytowers Village, adding Barratt homes and opening a Barratt sales outlet and show home suite to the site. Completions increased from an average of 24 before the dual-branding to an average of 51 in FY2022 and FY2023. In addition, the reservation rate increased from an average rate of 0.47 to an average rate of 0.94 in FY2022 and FY2023.

Multi-branding sites will allow the Combined Group to drive increased output through higher outlet numbers, driving reservation rates across its combined pipeline, accelerating the delivery of the new homes the UK needs.

Barratt is committed to preserving and growing the Redrow brand within the broader Barratt brand stable. The Combined Group will be able to target a wider customer base with Barratt Homes continuing to serve first time buyers and families, David Wilson Homes providing beautifully designed, larger homes, and the Redrow brand established as the premium brand in the portfolio. The Combination will also reinforce the Combined Group's ability to meet customers' needs across a wider range of price points, increasing its addressable market and increasing volume delivery.

Barratt has a strong track record of nurturing and investing in brands it acquires—David Wilson Homes, Oregon Timber Frame and Gladman Developments.

¹ The total land pipeline of 92,345 plots reflects the total of the land pipeline positions of Barratt and Redrow as at 31 December 2023, being 67,780 plots and 24,565 plots, as stated in the Barratt Half Year Report 2024 and the Redrow Half Year Report 2024, respectively.

- Barratt acquired Wilson Bowden plc (the owner of David Wilson Homes) in 2007, successfully integrating the business over a period of 18 months with original synergy targets exceeded and savings of at least £60 million delivered in that period.
 - Barratt has invested in and grown the David Wilson Homes brand since acquisition and been a good brand steward, improving the service and quality associated with it and dual-branding sites and divisions across England, Scotland and Wales.
 - Since the acquisition, David Wilson Homes has grown from 26 per cent. to 34 per cent. of Barratt completions, with David Wilson Homes delivering 5,849 homes in its most recent trading update.
- Barratt acquired Oregon Timber Frame in 2019, helping Barratt develop a timber frame manufacturing capability. The volume produced by Oregon Timber Frame has nearly doubled and new jobs have been created at Oregon Timber Frame’s development sites, including a new state of the art manufacturing facility in Derby.
- Barratt acquired Gladman Developments in 2022 and has successfully integrated Gladman Developments’ land promotion and planning capabilities into the Barratt Group.

2.3 Realise significant cost synergies from procurement savings and a rationalisation of divisional and central functions which are expected to drive a combined lower cost base

The Combination will provide the opportunity to realise the benefits of significant cost savings from procurement savings and a rationalisation of divisional and central functions which are expected to drive a combined lower cost base.

The Barratt Directors, having reviewed and analysed the potential cost synergies of the Combination, and taking into account the factors they can influence, believe that the Combined Group can deliver at least £90 million of pre-tax cost synergies on an annual run-rate basis by the end of the third year following Completion, of which approximately 90 per cent. is expected to be delivered by the end of the second year following Completion.²

The level of synergies is consistent with precedent public homebuilder transactions in the UK. These synergies are deliverable through:

- procurement-related savings (primarily direct materials) driven by:
 - price harmonisation through moving existing business to the best price currently available to Barratt and Redrow; and
 - volume-based pricing savings across the Combined Group;
- consolidation, subject to applicable informing and consultation requirements, of the divisional office structure, including employees and premises and associated headcount, lease and maintenance costs. This will be achieved by drawing on the best talent from both organisations to create the optimal group structure, geographical coverage and infrastructure for the Combined Group, ensuring a stable long-term employer across the UK; and
- consolidation of central and support functions, including board, senior management, duplicate public company costs and other third-party costs.

Barratt management has a strong track record of integrating and delivering synergies from large-scale transactions. The acquisitions of Wilson Bowden plc (the owner of David Wilson Homes), Oregon Timber Frame and Gladman Developments are evidence of this. In the Wilson Bowden plc acquisition in 2007, the business was successfully integrated over a period of 18 months with original synergy targets exceeded and savings of at least £60 million delivered in that period.

2.4 Maintain a robust balance sheet, better protected to operate through the cycle, and provide a strong platform from which to deliver improved shareholder returns over the medium term

The Combined Group is expected to benefit from a robust balance sheet, enhanced by the Combined Group’s increased scale and expertise, building on Barratt and Redrow’s unaudited pro forma net assets

² This statement constitutes a quantified financial benefits statement for the purposes of the Takeover Code. Please see Appendix I—“*Quantified Financial Benefits Statement*” for further details of the estimated cost savings and synergies referred to in this Circular.

of £7,572.3 million as at 31 December 2023. Based on the Barratt Half Year Report 2024 and Redrow Half Year Report 2024, Barratt and Redrow have an unaudited pro forma cash and cash equivalents position of £945.5 million as at 31 December 2023.

Going forward, the Combined Group intends to maintain a robust balance sheet consistent with Barratt's existing policy, targeting net cash including land creditors. The Combined Group's dividend policy will be consistent with Barratt's existing dividend policy of 1.75x ordinary dividend cover based on adjusted earnings per share. The Barratt Directors recognise the importance of returning surplus capital to shareholders. Excess cash is expected to be returned to the Combined Group's shareholders via a share buyback or special dividend, if appropriate, following investment in the business and the payment of an ordinary dividend.

2.5 Deliver significant benefits for all of the Combined Group's wider stakeholders

As well as the benefits for shareholders identified above, significant benefits will accrue to the Combined Group's wider stakeholders.

The Combined Group's employees will benefit from the additional opportunities the Combined Group will provide for development and from being a part of a homebuilder with an industry-leading employee reward programme. The Barratt Directors and the Redrow Directors believe there is a strong cultural fit between both businesses which will enable a smooth integration underpinned by shared values.

The Combined Group's supply chains will benefit from greater visibility and certainty of delivery and the acceleration of development through the deployment of brands on Barratt and Redrow's respective sites and land pipelines. This should give sub-contractors confidence to invest in developing the skilled labour pool and production facilities which are so important to the future of the sector.

Customers and the country as a whole will benefit from the Combined Group's ability to deliver more high-quality homes, across a broader product range, and to accelerate the creation of strong, sustainable communities across the UK. As a Combined Group, the business will be better placed to help tackle the country's current need for homes and drive economic growth across the country.

3 Financial benefits and effects of the Combination and potential synergies

The Combination is expected to be accretive to Barratt and Redrow's respective adjusted earnings per share in the first year after Completion (excluding one-off costs of delivering synergies).

The Barratt Directors, having reviewed and analysed the potential cost synergies of the Combination, and taking into account the factors they can influence, believe that the Combined Group can deliver at least £90 million of pre-tax cost synergies on an annual run-rate basis by the end of the third year following Completion.

The quantified cost synergies, which are expected to originate from the cost bases of both Barratt and Redrow, are expected to be realised primarily from:

- procurement-related savings (primarily direct materials) driven by:
 - price harmonisation through moving existing business to the best price currently available to Barratt and Redrow; and
 - volume-based pricing savings across the Combined Group,expected to contribute approximately 38 per cent. (£34 million) of the full run-rate pre-tax cost synergies;
- optimisation of the divisional office structure, expected to contribute approximately 37 per cent. (£33 million) of the full run-rate pre-tax cost synergies; and
- consolidation of central and support functions, including board, senior management, duplicate public company costs and other third-party costs, expected to contribute approximately 25 per cent. (£23 million) of the full run-rate pre-tax cost synergies.

The Barratt Directors expect that approximately 50 per cent. (£45 million) of the annual run-rate pre-tax cost synergies will be realised by the end of the first year following Completion and approximately 90 per cent. of the annual run-rate pre-tax cost synergies will be realised by the end of the second year following Completion, with the full run-rate achieved by the end of the third year following Completion.

The Barratt Directors estimate that the realisation of the quantified cost synergies will result in one-off costs of approximately £73 million, with approximately 57 per cent. incurred in the first year following Completion, approximately 32 per cent. expected to be incurred in the second year following Completion and the remainder by the end of the third year following Completion.

Potential areas of dis-synergy expected to arise in connection with the Combination have been considered and were determined by the Barratt Directors to be immaterial to the above analysis.

The identified cost synergies will accrue as a direct result of the Combination and would not be achieved on a standalone basis. The identified pre-tax cost synergies reflect both the beneficial elements and relevant costs.

These 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 herein may not be achieved, may be achieved later or sooner than estimated, or those actually achieved could be materially different from those estimated.

These statements are not intended as a profit forecast and should not be interpreted as such. No part of these statements, or this Circular generally, should be construed or interpreted to mean that the Combined Group's earnings in the first year following the Scheme Effective Date, or in any subsequent period, would necessarily match or be greater than or be less than those of Barratt and/or Redrow for the relevant preceding financial period or any other period.

Further information underlying the Quantified Financial Benefits Statement is contained in paragraph 13.1 of Part VII—“*Additional Information*” of this Circular and is set out in full in Appendix I—“*Quantified Financial Benefits Statement*” of this Circular.

4 Information on Barratt

4.1 Background

Barratt is a major UK homebuilder that has built more than 500,000 homes since it was founded in 1958, creating great new places to live throughout the country. Barratt's vision is to lead the future of homebuilding by putting customers at the heart of everything it does and it is an industry-leading player in terms of quality, service and sustainability. In 2023 Barratt won more NHBC Pride in the Job Awards than any other homebuilder for the 19th year in a row and was one of fewer than 300 companies globally to be awarded membership of CDP's Climate Change A List for Leadership. In 2024 Barratt became the only homebuilder to have received an HBF 5-Star customer rating for 15 consecutive years.

Through its 29 operating divisions located across the UK, Barratt builds in the private, affordable and private rented sectors and in its last financial year delivered 17,206 new homes. Barratt targets a regionally balanced portfolio, with its geographic reach and record of delivery enabling it to maximise development opportunities right across the country both independently and in partnership with institutional investors, affordable home providers and public sector bodies.

The Barratt Shares are admitted to the premium listing segment of the Official List and to trading on the Main Market of the London Stock Exchange. Barratt's current market capitalisation is £4,347 million as at the Latest Practicable Date.

The table below summarises the results of Barratt for the year ended 30 June 2023 and the six months ended 31 December 2023.

	Six months ended 31 December 2023 (unaudited)	Year ended 30 June 2023
	(£ millions)	
Revenue	1,850.8	5,321.4
Profit before tax	95.2	705.1
Profit and total comprehensive income recognised for the period	68.8	530.3

4.2 Trends and current trading

On 7 February 2024, the Barratt Group released its half-year trading update.

Despite the challenging macroeconomic backdrop, underlying demand for the Barratt Group's homes is strong. Since the start of January, the Barratt Group has seen early signs of improvement in both

reservation rates and buyer sentiment, helped by expectations of lower interest rates and the introduction of more competitive mortgage rates. As at 28 January 2024, the Barratt Group's average weekly private reservation rate per active outlet for the calendar year to date remained ahead of the same period for the prior year at 0.60 (2023: 0.49), and as at 28 January 2024, the Barratt Group was 86 per cent. forward sold with respect to private wholly owned home completions for FY2024 (FY2023: 84 per cent.). Sales are still being supported through the use of incentives, which are stable at the 6 to 7 per cent. range.

For the six months ended 31 December 2023, the Barratt Group delivered 6,171 total home completions including joint ventures.

For the six months ended 31 December 2023, the Barratt Group reported an adjusted gross profit of £295.9 million (HY2022: £647.9 million), with reduced gross profitability reflecting the stabilisation of customer demand at lower levels, softening home prices, ongoing, but moderating, build cost inflation and the operational gearing impact of lower completions. The Barratt Group reported a decrease in adjusted operating margin, from 18.4 per cent. for the six months ended 31 December 2022 to 8.4 per cent. for the six months ended 31 December 2023, driven by reduced volumes, an impact of 660 bps, and the net impact of inflation, an impact of 540 bps, partly offset by some trading and cost normalisations. Whilst the Barratt Group has seen signs of an easing of total build cost inflation, with current materials purchases and labour costs now showing limited inflation on a year-on-year basis, the Barratt Group reported total build cost inflation of c.7 per cent. for the six months ended 31 December 2023. With decreased profits and a small impact from increased capital employed, the Barratt Group reported a decrease in return on capital employed, at 12.8 per cent. for the six months ended 31 December 2023 compared to 29.6 per cent. for the six months ended 31 December 2022.

Throughout the half-year, the Barratt Group has maintained its selective approach to investment in land reflecting the continuing uncertainty on the outlook for both the UK economy and the housing market. Reflecting the strength of the Barratt Group's existing land pipeline, the continuing uncertainty in the sales market and limited adjustment in broader market land values, Barratt anticipates that land approvals in FY2024 might be limited.

No additional trends have arisen since the date of the half-year trading update released by Barratt on 7 February 2024 that are reasonably likely to have a material effect on the Barratt Group's prospects for the current financial year, and as at the Latest Practicable Date the above trends remain the most significant recent trends identified in respect of the Barratt Group.

5 Information on the Redrow Group

5.1 Background

Across 50 years and over 120,000 homes, Redrow has earned a reputation for delivering high-quality, award-winning homes that are built in well-chosen locations with excellent place-making. Redrow prides itself on being a responsible developer, delivering sustainable developments and sustainable returns. Redrow's purpose is to create a better way to live. It has a robust strategy in place to deliver on this aim, which is based on three core pillars: Thriving Communities, Building Responsibly and Valuing People.

Redrow is headquartered in Wales and operates 12 regional divisions across England and Wales. In its last financial year, Redrow delivered 5,436 completions across both private and affordable homes.

In 2022, Redrow became one of the first homebuilders to implement the new Code of Practice from the New Homes Quality Board, an independent not-for-profit organisation that has been set up to offer better protection and increased transparency for customers. Redrow has received an HBF 5-Star customer rating for six consecutive years. This is in addition to the business's ongoing 'excellent' rating on Trustpilot.

Redrow was included in the Financial Times' annual listings of both Europe's Climate Leaders 2022 and Diversity Leaders 2023, for achieving significant reductions in its greenhouse gas emissions and leading in workplace diversity and inclusion, respectively. It holds an AA MSCI ESG rating for its commitment to ESG investment standards and remains a constituent of the FTSE4Good Index Series for its continued demonstration of strong ESG practices.

The Redrow Shares are admitted to the premium listing segment of the Official List and to trading on the Main Market of the London Stock Exchange. Redrow's market capitalisation was £2,082 million as at the Latest Practicable Date.

As at 31 December 2023, the gross assets of Redrow were £2,932 million and Redrow’s operating profit for the 26 weeks ended 31 December 2023 was £86 million. Redrow’s operating profit for the 52 weeks ended 2 July 2023 was £399 million.

The table below summarises the results of Redrow for the 52 weeks ended 2 July 2023 and the 26 weeks ended 31 December 2023.

	26 weeks ended 31 December 2023 (unaudited)	52 weeks ended 2 July 2023
	<i>(£ millions)</i>	
Revenue	756	2,127
Profit before tax	84	395
Profit for the period	60	298

5.2 Principal activities

Redrow is a leading homebuilder across England and Wales with a reputation for building premium, characterful homes and thriving communities. Redrow offers home buyers an attractive proposition that combines the character of older homes with quality, energy efficiency and modern open-plan interiors. This approach also extends to place-making. Supported by eight design principles, Redrow puts people at the centre of its planning, building, sales and aftercare processes, allowing communities to thrive.

Redrow focuses on the premium segments, including home movers and downsizers and has evolved its designs to offer customers some of the most desirable and energy-efficient homes on the market. In 2023, Redrow became the first large homebuilder to integrate air source heat pumps with underfloor heating as standard on the ground-floor of larger homes, moving Redrow towards all-electric solutions, and creating a further selling point.

5.3 Strategy and objectives

Redrow is guided by its purpose: creating a better way to live for its customers and communities, and at the heart of this strategy lies the Heritage Collection. This award-winning product range combines the character of older homes with the quality, energy efficiency and modern open-plan interiors of new builds. The Heritage Collection’s selling points appeal to buyers moving to larger homes as well as those who are downsizing. Redrow’s focus on the home movers segment distinguishes it from other homebuilders.

Equally important to Redrow’s strategy is its “Redrow 8” placemaking principles. Placemaking is how the business plans and designs happy and healthy places to live—places that complement the surrounding community and support nature. This is fundamental to Redrow’s business model and trusted position in the marketplace.

Redrow’s “better place to live” purpose is underpinned by three pillars:

- Thriving Communities
- Building Responsibly
- Valuing People

5.4 Trends and current trading

On 7 February 2024, the Redrow Group released its half-year trading update.

For the 26 weeks to 31 December 2023, Redrow reported revenue of £756 million and profit before tax of £84 million. Each were down versus figures reported in the first half of 2023 (revenue: £1,031 million; profit before tax: £198 million) due to the comparatively subdued housing market. This was also reflected in the Redrow Group’s private sales rate per outlet per week, at 0.36 (HY2023: 0.38) including bulk sales and 0.35 (HY2023: 0.38) excluding bulk sales. The Redrow Group’s return on capital employed was correspondingly down, at 15.4% (HY2023: 23.2%).

Redrow is nevertheless seeing a return of strong interest from customers. The Redrow Group entered the second half of FY2024 with a total order book of £0.8 billion of which £0.5 billion was private. The business’s private reservation rate per outlet per week over the first five weeks of calendar year 2024 was

0.52 (HY2023: 0.51). Redrow believes it is very well positioned to capitalise on any market upturn with tight cost control and a highly desirable product range which occupies a differentiated position within the new homes market.

This is supported by Redrow's land portfolio, with 24,565 (June 2023: 26,070) plots in its current land holdings and 37,500 (June 2023: 36,100) plots in its long-term land portfolio, each as at 31 December 2023. Redrow's continued focus on obtaining planning permissions for its owned and controlled land will hopefully be made easier with an increased spotlight on Local Authorities to deliver on their housebuilding plans.

As at the Latest Practicable Date the above trends remain the most significant recent trends identified in respect of the Redrow Group.

6 Profit Forecast of the Redrow Group

6.1 General

6.1.1 Redrow's annual general meeting trading update issued on 10 November 2023 for the 18 weeks to 3 November 2023 included the following statement:

"We continue to expect our results to be in the guidance range we gave in September 2023 of revenue between £1.65bn and £1.7bn and profit before tax of between £180m and £200m.

However, with the lower than anticipated sales rate due to the more subdued Autumn housing market they are more likely to be towards the lower end of the range."

(the "Redrow Profit Forecast").

6.1.2 The Redrow Profit Forecast was repeated in the Redrow Half Year Report 2024 on 7 February 2024 as follows:

<i>"Revenue (£bn)</i>	<i>1.65-1.70</i>
<i>Underlying Profit Before Tax (£m)</i>	<i>180-200</i>

As we reported at the time of the AGM in November 2023, due to the subdued Autumn housing market we expect the 2024 results to be towards the lower end of the above range."

6.1.3 The Redrow Profit Forecast was also repeated in the 2.7 Announcement.

6.1.4 The Redrow Profit Forecast constitutes a profit forecast under the Prospectus Regulation Rules. The Barratt Directors confirm that the Redrow Profit Forecast continues to be valid as at the date of this document.

6.2 Basis of preparation

The Redrow Profit Forecast (and its subsequent repetition) has been properly compiled on the basis of the assumptions stated below. The accounting policies applied in preparing the Redrow Profit Forecast are consistent with those applied in the preparation of the Barratt Group's annual results for the financial year to 30 June 2023 which are in accordance with IFRS UK.

For the avoidance of doubt, costs arising in respect of the Combination, and any exceptional items, including material additional exceptional legacy fire safety remediation costs, are not included in "Underlying Profit Before Tax" and are not taken into account for the purposes of the Redrow Profit Forecast.

6.3 Assumptions

The Redrow Profit Forecast is based on the assumptions listed below. Barratt cannot be certain that these assumptions will prove to be correct, and a change in these factors could materially change the outcome of the Redrow Profit Forecast.

6.3.1 Factors outside the influence or control of the Redrow Directors:

- (a) there will be no changes to existing prevailing macroeconomic, regulatory or political conditions in the markets and regions in which Redrow operates that would materially affect Redrow;

- (b) the inflation and tax rates in the markets and regions in which Redrow operates will remain materially unchanged from the prevailing rates;
- (c) there will be no material adverse events that will have a significant impact on Redrow's financial performance, including litigation, adverse weather events or natural catastrophes that affect key products, supply chain or markets or the construction process;
- (d) there will be no material change in the availability or cost of key sub-contractors and resources from prevailing conditions;
- (e) there will be no material changes in market conditions over the forecast period to 30 June 2024 in relation to either customer demand or competitive environment, including the availability of mortgage financing for Redrow's private home customers, home prices, interest rates or legislative or regulatory requirements;
- (f) there will be no material impact on stakeholder relationships arising from the Combination;
- (g) there will be no material adverse outcome from any ongoing or future disputes with any customer, competitor, regulator or tax authority;
- (h) there will be no material change in employee attrition rates and no material change in Redrow's labour costs, including medical and pension and other post-retirement benefits driven by external parties or regulations;
- (i) there will be no material changes in legislation, taxation, regulatory requirements, applicable standards or the position of any regulatory bodies impacting on Redrow's operations or on its accounting policies; and
- (j) there will be no material costs incurred at any site under development as a result of unforeseen groundworks or any other build costs that would constitute abnormal costs under Redrow's consideration of build variance.

6.3.2 Factors within the influence or control of the Redrow Directors:

- (a) there will be no material change to the present management of Redrow;
- (b) there will be no major corporate acquisitions or disposals, developments, partnership or joint venture agreements being entered into by Redrow, prior to 30 June 2024 (for the avoidance of doubt, other than the Combination);
- (c) there will be no material changes in the dividend or capital policies of Redrow;
- (d) Redrow's accounting policies will be consistently applied over the forecast period;
- (e) there will be no material change in the operational strategy of Redrow; and
- (f) there will be no drawdown of debt or refinancing of existing committed facilities prior to 30 June 2024.

6.4 Barratt Directors' confirmation

In accordance with the requirements of the Prospectus Regulation Rules, the Barratt Directors confirm that the Redrow Profit Forecast has been compiled and prepared on a basis which is both:

6.4.1 comparable with the historical financial information of the Redrow Group in Part X—"*Financial Information of the Redrow Group*" and Appendix II—"*Historical Financial Information of the Redrow Group*" of the Prospectus; and

6.4.2 consistent with the accounting policies of the Barratt Group.

7 The Combined Group

7.1 Strategic plans for Redrow

Prior to the 2.7 Announcement, consistent with market practice, Barratt was granted due diligence access to targeted information and Redrow's senior management for the purposes of confirmatory due diligence and conducting its synergy assessment. This process has informed Barratt's view on the prospects of the Combined Group, the synergies described in paragraph 3 above and Barratt's initial plans for the integration of Redrow.

In connection with the work described above, Barratt's management, following discussions with the senior leadership of Redrow and having considered Redrow's priorities, has undertaken a preliminary operational review of the Combined Group and developed an integration plan for the Combined Group.

Barratt is confident, based on the information available and work conducted to date, that the integration plan is robust and will equip the Combined Group to conduct an efficient integration whilst ensuring continuity in the delivery of the Combined Group's operations. Barratt will continue to review Redrow's business in the period prior to Completion and Barratt expects that the operational review and more detailed integration planning work will be substantially concluded during the period prior to Completion. Following Completion, Barratt will be well placed to refine and implement this plan. Key areas of focus in the operational review and development of the integration plan include:

- maintaining Redrow's strong brand as distinct, with its attractive proposition to homebuyers: the character of older homes combined with high-quality, energy efficiency and modern open plan interiors;
- continuing to evolve and develop strong and innovative products across all three brands—Barratt Homes, David Wilson Homes and Redrow—focused on design excellence and build quality by adding the quality and design of Redrow's home types and its focus on sustainable place-making to Barratt's portfolio, while maintaining the differentiation of each brand;
- consolidating activities in central and support functions, based on a 'best in class' philosophy in which the Combined Group seeks to retain the best practices and capabilities from both organisations;
- reviewing Redrow's and Barratt's systems and digital technology and exploring ways in which these can best benefit the Combined Group;
- reviewing the divisional office structure to optimise the Combined Group's geographical coverage footprint across the UK, including potentially consolidating offices in areas where both companies already have a presence, but these decisions will depend on an assessment of demand trends for each brand in the relevant geographic area; and
- building upon the initial synergy assessment undertaken to date to further consider the potential synergy benefits that might be possible, including with access to further Redrow data.

In further refining, and in implementing, the integration plan, there will be a clear focus on maintaining operational excellence, build quality and customer service. A key objective of integration will be the careful delivery of the cost synergies and other benefits of the Combination. Based on the work conducted to date, Barratt believes that both integration planning and execution will be assisted by:

- the strong experience of Barratt, and lessons learned, in successfully integrating businesses, in particular Wilson Bowden plc (the owner of David Wilson Homes) following its acquisition by Barratt in 2007, and more recently Oregon Timber Frame and Gladman Developments;
- the skills, experience and commitment of both the Barratt and Redrow teams; and
- similarities between the Barratt Group's and the Redrow Group's culture, statements of purpose, business models and operating platforms.

Barratt intends to substantially complete the implementation of an integration plan within 18 months of Completion, with synergies expected to be realised fully within three years following Completion.

7.2 Board and executive leadership team of the Combined Group

Immediately following Completion, Caroline Silver, Barratt's Non-Executive Chair, will lead the Combined Group as Non-Executive Chair. Barratt's Chief Executive, David Thomas, will be Group Chief Executive of the Combined Group. Mike Scott, Chief Financial Officer of Barratt, will be Chief Financial Officer of the Combined Group, and Steven Boyes, Chief Operating Officer and Deputy Chief Executive of Barratt, will be Chief Operating Officer and Deputy Chief Executive of the Combined Group.

Immediately following Completion, the board of directors of the Combined Group will be a combined board comprising the existing executive and non-executive directors of Barratt, with the addition of (i) Matthew Pratt, currently Group Chief Executive of Redrow, who will join the Combined Group and assume the role of Chief Executive Officer, Redrow, and Group Executive Director, and (ii) Nicky

Dulieu, currently Senior Independent Director of Redrow, and Geeta Nanda, currently Non-Executive Director of Redrow, who will both join as Non-Executive Directors.

Barbara Richmond, Group Finance Director of Redrow, has agreed to join the Combined Group in the role of Redrow Chief Financial Officer and Group Integration and Synergies Director to support the integration for a period of not less than 12 months to ensure continuity and with a view to realising the benefits of the Combination for both sets of shareholders.

Additional members of Redrow's senior management may, subject to further review, join the Barratt's Executive Committee following Completion as part of the integration process referred to in paragraph 7.3 below.

Any executive or non-executive directors of Redrow not appointed to the board of the Combined Group will step down from the Redrow Board upon Completion.

7.3 Employees and management

Barratt has great respect for Redrow's management and employees and attaches huge importance to their active participation in and commitment to the Combined Group. Barratt recognises that they, together with Barratt's management and employees, will be key to the success of the Combined Group and Barratt is excited for the employees and management of Redrow to join the Combined Group.

Following Completion, Barratt intends to retain the best talent of Barratt and Redrow to support its customers, clients and partners to utilise the knowledge and expertise across Barratt and Redrow and maintain operational momentum and a focus on growth.

Barratt expects that, in order to achieve the expected benefits of the Combination, operational and administrative restructuring will be required following Completion. While no decisions have been taken or proposals formulated at this stage, the synergy work carried out to date has confirmed Barratt's intention to reduce the duplication of roles between Barratt and Redrow.

This could lead, subject to a review of the requirements of the Combined Group after Completion and any applicable informing and consulting requirements, to a reduction in the total number of employees by circa 10 per cent. of the Combined Group's total number of employees (on a full-time equivalent basis). This reduction is intended to come from employees and management, overlapping central and support functions and divisions affected by the rationalisation programme as a result of the Combination, some of which is expected to take place via natural attrition. Please see Appendix I—*“Quantified Financial Benefits Statement”* for further details of the estimated cost savings and synergies referred to in this Circular.

As part of the preservation of and commitment to grow the Redrow brand, the employees and management of the Combined Group will be a combination from both businesses based on a 'best in class' philosophy. Barratt intends to look to reallocate employees from any discontinued roles arising from the integration to other appropriate new roles, growth-related new opportunities or existing vacancies, where possible. Barratt and Redrow each currently engage some members of staff on a temporary or contractor basis whilst vacancies in permanent positions in each business are filled. Barratt intends to first retain employees in permanent positions, including to fulfil such vacancies, in relation to any reduction of roles.

Barratt does not intend that there will be any material reduction of building site-based employees or sales office-based employees as existing sites will continue to operate in a similar way.

Barratt intends that any restructuring referred to above would be phased over 12 months following Completion. The detailed steps for such restructuring are subject to further review and would be subject to comprehensive and detailed planning, appropriate engagement with representatives and wider stakeholders, including affected employees and any appropriate employee representative bodies in accordance with the legal obligations of the Combined Group. Barratt intends to start this engagement process long enough before any final decisions are taken so as to ensure that relevant legal obligations are complied with. Other than as described above, Barratt does not intend that there will be any material change to the balance of skills and functions of the employees and management in the Combined Group.

Following Completion and as part of integration planning, Barratt may review the alignment of the remuneration and incentivisation arrangements as between employees and management of Barratt and the Combined Group, as well as redundancy and other policies operated within the Combined Group, with a view to harmonising the position for employees and management across the Combined Group (in

particular, those in equivalent positions) over time as is appropriate. However, save as described in paragraph 7.7 below, Barratt does not have any detailed plans or intentions in this regard and does not intend to discuss details of remuneration and incentivisation arrangements with employees and management prior to Completion.

Barratt intends to safeguard the existing contractual and statutory employment rights of the employees of Barratt and Redrow in accordance with applicable law upon Completion. Other than as described above, Barratt does not intend to make any material change in the employment of, or in the conditions of employment of, Redrow employees, unless otherwise agreed with the relevant employee.

For a period of 12 months after Completion, Redrow employees will be entitled to applicable redundancy and severance payments, benefits and arrangements that are no less favourable than those under any policy or established Redrow practice in existence at local or group wide level as at (and notified to Barratt or Barratt's legal advisers prior to) the date of the Co-operation Agreement and/or any policy or arrangement agreed between Barratt and Redrow from time to time.

7.4 Pension schemes

Barratt does not intend to make any changes to the agreed employer contributions into Redrow's existing defined benefit and defined contribution pension schemes (including with regard to current arrangements for the funding of any scheme deficit in the defined benefit pension scheme), the accrual of benefits for existing members or the admission of new members to such pension schemes following Completion, unless such changes are more favourable to the scheme member.

7.5 Headquarters and locations

The Combination also provides the opportunity to consolidate and combine some of Barratt's offices with Redrow's offices. After Completion, Barratt will review the expanded office footprint with a set of objective criteria, which will include: considering where the Combined Group has offices in similar locations, accounting for new regional boundaries to be drawn, assessing whether there is scope for consolidation in order to optimise rental and lease expenses, ensuring minimisation of impact on employees and understanding how the Combined Group can best utilise its employees' talents to enable colleagues to work more closely together within and across their functions and enhance the corporate culture. This review will include all Barratt and Redrow offices, and it is intended that a combination of existing Barratt and Redrow offices would be retained rather than only retaining Barratt offices.

Barratt currently has 29 divisional offices and Redrow has 12 offices across the country. Preliminary analysis indicates that optimisation of the current footprint would involve the closure of around nine offices. Barratt intends that the Combined Group will maintain Barratt's current Group Support Centre in Coalville, Leicestershire, United Kingdom as its headquarters from where it will run the majority of its corporate and support operations. Redrow's current headquarters in Ewloe, Flintshire, United Kingdom, will be retained as one of the Combined Group's main offices.

Barratt does not intend any material change to its operations in Scotland as Redrow does not operate in Scotland or its operations in London as Redrow only operates one large site in London.

Barratt does not intend any other changes to the redeployment of Barratt's or Redrow's existing material fixed assets, which are minimal. Owing to the nature of the respective businesses of Redrow and Barratt, neither business has specific research and development functions, instead having innovation and development embedded into their processes across the businesses. No changes are intended to Barratt's and Redrow's respective research and development capabilities as part of the Combined Group.

7.6 Brands and corporate names

From Completion, the Combined Group name will be changed to "Barratt Redrow plc". In addition, following Completion, Barratt intends to maintain Redrow's strong brand position as the premium and distinct component of the Combined Group's brand portfolio, alongside Barratt Homes and David Wilson Homes. Barratt is committed to the long-term future of the Redrow brand.

7.7 Arrangements between Barratt and Redrow management

In order to promote the retention of certain Redrow Group employees (including the Redrow executive directors) following Completion, as detailed in the Co-operation Agreement, Barratt has agreed that:

- as soon as reasonably practicable after Completion, it will grant transition awards over Barratt shares to all individuals who: (i) held outstanding Redrow 2023 LTIP Awards immediately prior to the date on which the Court sanctions the Scheme (the “**Relevant Awards**”); and (ii) were employed by any member of the Redrow Group on Completion (or immediately before Completion and who became employees of the Barratt Group on or around Completion) (the “**Transition Awards**”). Each eligible participant’s Transition Award will be granted under (or on equivalent terms to) the Barratt LTTP (being, for the purpose of this paragraph 7.7, the 2023 Barratt LTTP) and will be equal in value to the value of the Relevant Awards held by the relevant individual which was lost due to the application of time pro-rating. Each Transition Award will be payable in full on the original vesting date of the participant’s Relevant Award that it replaces or on the date the participant leaves employment in certain limited circumstances (including redundancy) which are described in the Co-operation Agreement, subject to the relevant individual remaining in employment with a member of the Barratt Group (or leaving employment in certain limited circumstances, as applicable) and with no further assessment of performance conditions on that date. If an individual leaves employment in certain limited circumstances (including redundancy) which are described in the Co-operation Agreement after Completion but before their Transition Award is granted, the Transition Award will instead be paid in cash as soon as practicable after the individual’s employment is terminated; and
- any Redrow 2024 LTIP Awards will automatically lapse on Completion (if Completion occurs prior to the normal vesting date) and Barratt will grant replacement awards under the Barratt LTTP as soon as reasonably practicable after Completion to all individuals who: (i) are employed by any member of the Redrow Group on Completion (or immediately prior to Completion and who became employees of the Barratt Group on or around Completion); and (ii) held outstanding Redrow 2024 LTIP Awards immediately prior to Completion (“**Replacement Awards**”).

Such Replacement Awards will be equal in value to the value of, and subject to the same performance conditions as, awards under the Barratt LTTP for the relevant financial year granted to Barratt Group employees with equivalent seniority to the Redrow Group award participant. The Replacement Awards will be subject to the same vesting/payment dates, post-vesting holding periods and good leaver provisions as awards granted under the Barratt LTTP in the relevant financial year. The Replacement Awards will be subject to time pro-rating applying from the start of the performance period in accordance with the rules of the Barratt LTTP. If any individual who was eligible to receive a Replacement Award leaves employment in certain limited circumstances (including redundancy) which are described in the Co-operation Agreement after Completion but before the Replacement Award is granted, the Replacement Award will instead be paid in cash at the time that the Replacement Award would have vested under the rules of the Barratt LTTP (taking into account the application of time pro-rating applying from the start of the performance period in accordance with the rules of the Barratt LTTP and performance assessment).

Matthew Pratt

As noted in paragraph 7.2 above, Matthew Pratt, currently Group Chief Executive of Redrow, has agreed to join the Combined Group and assume the role of Chief Executive Officer, Redrow, and Group Executive Director. The financial terms on which Matthew Pratt will hold that role are summarised in the Scheme Document.

Barbara Richmond

As noted in paragraph 7.2 above, Barbara Richmond, currently Group Finance Director of Redrow, has agreed to join the Combined Group in the role of Redrow Chief Financial Officer and Group Integration and Synergies Director to support the integration for a period of not less than 12 months from Completion to ensure continuity and with a view to realising the benefits of the Combination for both sets of shareholders. The financial terms on which Barbara Richmond will hold that role are summarised in the Scheme Document.

7.8 Combined Group name

The Combined Group will be renamed “Barratt Redrow plc” from Completion.

7.9 Other

No statements in this paragraph 7 constitute “post-offer undertakings” for the purposes of Rule 19.5 of the Code.

8 Dividends and capital allocation policy of the Combined Group

It is intended that the Combined Group will maintain Barratt’s existing dividend policy of 1.75x ordinary dividend cover based on adjusted earnings per share.

The Barratt Directors believe that this would result in a significant uplift in dividend payments to Redrow Shareholders, with the scale and balance sheet strength of the Combined Group further underpinning its ability to maintain increased future dividend payments.

The Barratt Directors recognise the importance of returning surplus capital to shareholders. Excess cash is expected to be returned to the Combined Group’s shareholders via a share buyback or special dividend if appropriate following investment in the business and the payment of an ordinary dividend.

9 Dividends

Under the terms of the Co-operation Agreement, Barratt and Redrow have agreed that:

- Redrow Shareholders are entitled to retain the dividend of 5.0 pence per Redrow Share in respect of the six-month period ended 31 December 2023 as set out in the Redrow Half-Year Report 2024 announced immediately before the publication of the 2.7 Announcement and paid on 8 April 2024 (the “**Redrow Interim Dividend**”);
- Barratt Shareholders will be entitled to receive a dividend of 4.4 pence per Barratt Share in respect of the six-month period ended 31 December 2023 as set out in the Barratt Half Year Report 2024 announced immediately before the publication of the 2.7 Announcement, scheduled to be paid on 17 May 2024 (the “**Barratt Interim Dividend**”);
- to the extent Completion occurs after the record date in respect of any Redrow dividend in respect of each of the successive six-month periods ending 30 June 2024, 31 December 2024 or 30 June 2025 (as relevant), Redrow Shareholders will be entitled to receive and retain any such dividend provided in each case that it is in accordance with Redrow’s existing dividend policy, consistent with past practice in relation to the payment of dividends and Redrow and Barratt have agreed the record date for such dividend (each such dividend a “**Redrow Additional Permitted Dividend**”); and
- to the extent Completion occurs after the record date in respect of any Barratt dividend in respect of each of the successive six-month periods ending 30 June 2024, 31 December 2024 or 30 June 2025 (as relevant), Barratt Shareholders will be entitled to receive and retain any such dividend provided in each case that it is in accordance with Barratt’s existing dividend policy, consistent with past practice in relation to the payment of dividends and Redrow and Barratt have agreed the record date for such dividend (each such dividend a “**Barratt Additional Permitted Dividend**”).

If, on or after the date of the 2.7 Announcement and on or prior to Completion, Redrow announces, declares, makes or pays: (i) the Redrow Interim Dividend, a Redrow Additional Permitted Dividend or a Redrow Equalising Dividend, and the quantum of such dividend is in excess of the amount which Redrow is entitled to pay to Redrow Shareholders pursuant to the terms of the Co-operation Agreement; or (ii) any other dividend, distribution or form of capital return, Barratt shall be entitled to either:

- adjust the Exchange Ratio by an amount equivalent to all or any part of such excess (in the case of the Redrow Interim Dividend, a Redrow Additional Permitted Dividend or a Redrow Equalising Dividend (as relevant)) or by the amount of all or part of any such other dividend, distribution or form of capital return, in which case references to the Exchange Ratio will be deemed to be a reference to the Exchange Ratio as so adjusted; or
- pay an equalising dividend to Barratt Shareholders so as to reflect the value attributable to all or any part of such excess (in the case of the Redrow Interim Dividend, a Redrow Additional Permitted Dividend or a Redrow Equalising Dividend (as relevant)) or by the amount of all or part of any such other dividend,

distribution or form of capital return (a “**Barratt Equalising Dividend**”), without any consequential change to the Exchange Ratio.

In such circumstances, Redrow Shareholders will be entitled to retain the full amount of any such excess or such other dividend, distribution or form of capital return declared, made, or paid.

If and to the extent that any such excess or other dividend, distribution or form of capital return has been declared or announced, but not paid or made, or is not payable by reference to a record date on or prior to the Scheme Effective Date and is or will be (i) transferred pursuant to the Combination on a basis which entitles Barratt to receive the excess or the dividend, distribution or form of capital return and to retain it; or (ii) cancelled, the Exchange Ratio will not be subject to change in accordance with this paragraph 9 of Part II (*Letter from the Chair*) of this Circular.

If, on or after the date of the 2.7 Announcement and on or prior to Completion, Barratt announces, declares, makes or pays: (i) the Barratt Interim Dividend, a Barratt Additional Permitted Dividend or a Barratt Equalising Dividend, and the quantum of such dividend is in excess of the amount which Barratt is entitled to pay to Barratt Shareholders pursuant to the terms of the Co-operation Agreement; or (ii) any other dividend, distribution or form of capital return, Redrow shall be entitled to pay an equalising dividend to Redrow Shareholders so as to reflect the value attributable to all or any part of such excess (in the case of the Barratt Interim Dividend, a Barratt Additional Permitted Dividend or a Barratt Equalising Dividend (as relevant)) or by the amount of all or part of any such other dividend, distribution or form of capital return (a “**Redrow Equalising Dividend**”), without any consequential change to the Exchange Ratio. In such circumstances, Barratt Shareholders will be entitled to retain the full amount of any such excess or such other dividend, distribution or form of capital return, declared, made, or paid.

Under the terms of the Co-operation Agreement, Barratt has undertaken not to declare, make or pay any dividend, distribution or form of capital return other than the Barratt Interim Dividend, any Barratt Additional Permitted Dividend and any Barratt Equalising Dividend.

10 Summary of the key terms of the Combination

10.1 Scheme of arrangement

It is intended that the Combination will be effected by means of a Court-approved scheme of arrangement between Redrow and the Redrow Shareholders, who are on the register of members of Redrow at the Scheme Record Time, under Part 26 of the Companies Act, although Barratt reserves the right to implement the Combination by means of a Takeover Offer (subject to the consent of the Panel and the terms of the Co-operation Agreement).

The purpose of the Scheme is to provide for Barratt to become the holder of the entire issued and to be issued ordinary share capital of Redrow. In order to achieve this, the Scheme Shares held by Scheme Shareholders as at the Scheme Record Time will be transferred to Barratt. In consideration for this transfer, Barratt will allot and issue New Barratt Shares to the Scheme Shareholders (at the Scheme Record Time) on the basis set out in paragraph 1 above.

To become effective, the Scheme must be approved by a majority in number of the Scheme Shareholders on the register of members of Redrow at the Scheme Voting Record Time who are present and vote, whether in person or by proxy, at the Redrow Court Meeting and who represent 75 per cent. or more in value of the Scheme Shares voted by those Scheme Shareholders. The Scheme also requires the Special Resolution to be approved by the requisite majorities of the voting rights of Redrow Shareholders present and voting, either in person or by proxy, at the Redrow General Meeting and the Barratt Resolution being passed by a simple majority of Barratt Shareholders at the Barratt General Meeting.

Following the Redrow Court Meeting, the Redrow General Meeting, and the Barratt General Meeting the Scheme shall not become effective unless the Scheme is sanctioned by the Court (with or without modification but subject to any modification being on terms acceptable to Redrow and Barratt) and the Court Order is delivered to the Registrar of Companies for registration.

The Scheme is also subject to further terms and conditions that are set out in the Scheme Document and summarised below.

The Scheme Document includes full details of the Scheme, together with an explanatory statement providing details of the Combination, and the notices convening the Redrow Court Meeting and the Redrow General Meeting. The Scheme Document also contains the expected timetable for the Combination and specifies the necessary actions to be taken by Redrow Shareholders. The Scheme

Document and the related forms of proxy are being made available to all Redrow Shareholders at no charge for them. For the purposes of paragraph 3(a) of Appendix 7 of the Code, the Panel has consented to an extension of the applicable date for posting the Scheme Document.

Once the necessary approvals from Redrow Shareholders and Barratt Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived and the Scheme has been sanctioned by the Court, the Scheme will become effective upon delivery of the Court Order to the Registrar of Companies for registration.

Upon the Scheme becoming effective, it will be binding on all Scheme Shareholders holding Scheme Shares at the Scheme Record Time, irrespective of whether or not they attended or voted in favour of, or against, the Scheme, at the Redrow Court Meeting or in favour of, or against, or abstained from voting on the Special Resolution at the Redrow General Meeting.

If the Scheme does not become effective by the Longstop Date, or such later date, if any, as may be agreed in writing by Redrow and Barratt (with the Panel's consent and as the Court may approve (if such approval(s) is/are required)) it will never become effective.

The Scheme is governed by English law and is subject to the jurisdiction of the Court. The Scheme is subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the FCA.

10.2 Conditions

The Combination is subject to the terms and conditions set out in the Scheme Document, and shall only become effective, if, among other things, the following events occur on or before 11.59 p.m. on the Longstop Date:

- 10.2.1** the approval of the Scheme by a majority in number of the Scheme Shareholders on the register of members of Redrow at the Scheme Voting Record Time who are present and vote, whether in person or by proxy, at the Redrow Court Meeting and who represent 75 per cent. or more in value of the Scheme Shares voted by those Scheme Shareholders;
- 10.2.2** the Special Resolution required to approve and implement the Scheme being duly passed by Redrow Shareholders representing the requisite majority of votes cast at the Redrow General Meeting;
- 10.2.3** the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Redrow and Barratt);
- 10.2.4** the delivery of a copy of the Court Order to the Registrar of Companies;
- 10.2.5** the Competition and Markets Authority issuing a conditional (in terms reasonably satisfactory to Barratt), or unconditional decision that it does not intend to make a Phase 2 CMA Reference (being an in-depth investigation into whether the Combination may be expected to result in a substantial lessening of competition), or in the event the CMA makes a Phase 2 CMA Reference, the CMA confirming that the Combination may proceed (with, or without, undertakings or conditions (in terms reasonably satisfactory to Barratt));
- 10.2.6** the Barratt Resolution being passed by a simple majority of the votes cast by Barratt Shareholders at the Barratt General Meeting; and
- 10.2.7** the FCA having acknowledged that the application for Admission has been approved and the London Stock Exchange having acknowledged that the New Barratt Shares will be admitted to trading on the Main Market.

The Scheme will lapse if:

- the Redrow Court Meeting and the Redrow General Meeting are not held by 6 June 2024, or if later, the date of the Barratt General Meeting (or such later date as may be agreed between Barratt and Redrow);
- the Court Hearing is not held by the later of: (a) the 22nd day; and (b) the day that is equal to the number of days that the Redrow Court Meeting and Redrow General Meeting were held after 15 May 2024, or if later, after the date of the Barratt General Meeting, after the expected date of such hearing set out in the Scheme Document (or such later date as may be agreed between Barratt and Redrow);

- the Scheme does not become effective by 11.59 p.m. on the Longstop Date, provided, however, that the deadlines for the timing of the Redrow Court Meeting, the Redrow General Meeting and the Court Hearing as set out above may be waived by Barratt, and the deadline for the Scheme to become effective may be extended by agreement between Redrow and Barratt.

10.3 Procedure

Before the Court is asked to sanction the Scheme, the Scheme will require the approval of Scheme Shareholders at the Redrow Court Meeting and the passing of the Special Resolution at the Redrow General Meeting.

10.4 Redrow Court Meeting

The Redrow Court Meeting, which has been convened for 11.00 a.m. on 15 May 2024, is being held at the direction of the Court to seek the approval of Redrow Shareholders entitled to vote for the Scheme.

At the Redrow Court Meeting, voting will be by way of poll and each Scheme Shareholder present (and entitled to vote), in person or by proxy, will be entitled to one vote for each Scheme Share held as at the Scheme Voting Record Time. In order for the Special Resolution to be passed, it must be approved by a majority in number of the Scheme Shareholders on the register of members of Redrow at the Scheme Voting Record Time who are present and vote, whether in person or by proxy, at the Redrow Court Meeting and who represent 75 per cent. or more in value of the Scheme Shares voted by those Scheme Shareholders.

10.5 Redrow General Meeting

The Redrow General Meeting has been convened for 11.15 a.m. on 15 May 2024, or as soon thereafter as the Redrow Court Meeting has concluded or been adjourned, to consider and, if thought fit, pass the Special Resolution to:

- authorise the Redrow Board to effect the Scheme; and
- approve certain amendments to the Redrow Articles of Association to ensure that, subject to the Scheme becoming effective, any Redrow Shares issued (other than to Barratt or its nominees): (i) between the Redrow General Meeting and the Scheme Record Time will be subject to the Scheme; and (ii) after the Scheme Record Time will automatically be acquired by Barratt on the same terms as under the Scheme. These provisions will avoid any person (other than Barratt or its nominees) holding Redrow Shares after dealings in such shares have ceased on the London Stock Exchange.

The proposed amendments to the Redrow Articles of Association referred to above are set out in full in the Scheme Document.

At the Redrow General Meeting, voting will be by way of poll and each Redrow Shareholder present, in person or by proxy, will be entitled to one vote for each Redrow Share held. In order for the Special Resolution to be passed, they must be approved by votes in favour representing the requisite majority or majorities of votes cast at the Redrow General Meeting (or any adjournment thereof).

10.6 Scheme sanction

Before the Scheme can become effective in accordance with its terms, the Court must sanction the Scheme at the Court Hearing and issue the Scheme Court Order. Redrow will give adequate notice of the date and time of the Court Hearing, once known, by issuing an announcement through a Regulatory Information Service.

The Scheme will become effective on delivery of a copy of the Court Order to the Registrar of Companies.

Upon the Scheme becoming effective:

- 10.6.1** it will be binding on all Scheme Shareholders holding Scheme Shares at the Scheme Record Time, irrespective of whether or not they attended or voted in favour of, or against, the Scheme at the Redrow Court Meeting or in favour of, or against, or abstained from voting on the Special Resolution at the Redrow General Meeting;

10.6.2 share certificates in respect of Redrow Shares will cease to be valid documents of title and should be destroyed, or at the request of Redrow, delivered up to Redrow, or to any person appointed by Redrow to receive the same; and

10.6.3 entitlements to Redrow Shares held within the CREST system will be disabled from the Scheme Record Time and expired and removed soon thereafter.

The Redrow Shares will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third-party rights or interests of any nature whatsoever and together with all rights attaching or accruing to them.

If the Scheme does not become effective in accordance with its terms by the Longstop Date, or such later date, if any, as may be agreed in writing by Redrow and Barratt (with the Panel's consent and as the Court may approve (if such approval(s) is/are required)) the Scheme will never become effective.

The Scheme is governed by English law and is subject to the jurisdiction of the courts of England and Wales. The Scheme is also subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA.

10.7 Modifications to the Scheme

The Scheme contains a provision for Redrow and Barratt jointly to consent (on behalf of all persons concerned) to any modification of, or addition to, the Scheme or to any condition which the Court may approve or impose. The Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in those circumstances for the purpose of approving any such modification, addition or condition.

11 Listing of New Barratt Shares and De-listing of Redrow Shares and re-registration

Application will be made to the FCA and the London Stock Exchange respectively for Admission of the New Barratt Shares. It is expected that Admission will become effective and dealings for normal settlement in the New Barratt Shares will commence at or shortly after 8.00 a.m. on or around the day which is three Business Days after the Court Hearing.

Prior to the Scheme becoming effective in accordance with its terms, Redrow will make an application for the cancellation of trading of the Redrow Shares on the London Stock Exchange's Main Market for listed securities to take effect on the Business Day following the Scheme Effective Date and for the cancellation of the listing of Redrow Shares on the Official List to take effect on the date of Admission (and subject to the Scheme becoming effective).

On Completion, Redrow will become a wholly-owned subsidiary of Barratt and share certificates in respect of Redrow Shares will cease to be valid. In addition, entitlements to the Redrow Shares held within the CREST system will be disabled from the Scheme Record Time and expired and removed soon thereafter.

It is also proposed that, following Completion and after its shares are delisted, Redrow will be re-registered as a private limited company.

12 New Barratt Shares

476,309,153 New Barratt Shares will be issued in connection with the Combination, representing approximately 32.8 per cent. of the Combined Issued Share Capital following Completion. Barratt will publish today a prospectus in relation to the Admission of the New Barratt Shares (the "**Prospectus**") which will be filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

Applications will be made to the FCA and to the London Stock Exchange for Admission of the New Barratt Shares. It is currently expected that Admission of the New Barratt Shares will become effective by 8.00 a.m. on or around the day which is three Business Days after the Court Hearing.

Subject to the Scheme becoming effective in accordance with its terms, Redrow Shareholders on the register of members of Redrow at the Scheme Record Time will be entitled to receive 1.44 New Barratt Shares for each Scheme Share held.

The New Barratt Shares will be issued in registered form and will be capable of being held in certificated and uncertificated form.

The New Barratt Shares will be issued and credited as fully paid up and will rank pari passu in all respects with the Existing Shares in issue at that time, including, as further outlined below, the right to receive and retain in full all dividends or other distributions (if any) announced, declared, made or paid, or any other return of value (whether by reduction of share capital or share premium account or otherwise), made, in each case by reference to a record date falling on or after the Scheme Effective Date, and to the right to participate in the assets of Barratt upon a winding-up of Barratt. The New Barratt Shares will be issued in registered form and will be capable of being held in certificated and uncertificated form. The New Barratt Shares will trade under the same ISIN number as the Existing Shares.

The New Barratt Shares will be issued free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third-party rights or interests of any nature whatsoever.

13 Fractional entitlements

Fractions of New Barratt Shares will not be allotted or issued to Redrow Shareholders. Entitlements will be rounded down to the nearest whole number of New Barratt Shares and all fractional entitlements to New Barratt Shares will be aggregated, allotted and issued to a person appointed by Barratt and sold in the market. The net proceeds of such sale (after deduction of all expenses and commissions, including VAT thereon, incurred in connection with the sale) will be distributed by Barratt in due proportion to the Scheme Shareholders who would otherwise have been entitled to such fractions. However, individual entitlements to amounts of less than £5 will not be paid to Redrow Shareholders, but will be retained for the benefit of the Combined Group.

14 Irrevocable Undertakings and Letters of support

14.1 Redrow Shares

Barratt has received irrevocable undertakings from each of the Redrow Directors who hold Redrow Shares to vote in favour of the Scheme at the Redrow Court Meeting and the Special Resolution to be proposed at the Redrow General Meeting (or, in the event that the Combination is implemented by a Takeover Offer, to accept (or procure the acceptance of) such Takeover Offer), in respect of a total of 199,849 Redrow Shares, representing, in aggregate approximately 0.060 per cent. of the ordinary share capital of Redrow as at the Latest Practicable Date.

Barratt has also received an irrevocable undertaking to vote in favour of the Scheme at the Redrow Court Meeting and the Special Resolution to be proposed at the Redrow General Meeting from Bridgemere Securities Limited, the family investment vehicle of Steve Morgan, Redrow's founder and Redrow's largest shareholder, in respect of a total of 52,851,816 Redrow Shares representing approximately 16 per cent. of Redrow's issued ordinary share capital as at the Latest Practicable Date.

Barratt has therefore received irrevocable undertakings to vote in favour of the Scheme at the Redrow Court Meeting and the Special Resolution to be proposed at the Redrow General Meeting in respect of a total of 53,051,665 Redrow Shares representing, in aggregate, approximately 16 per cent. of Redrow's issued ordinary share capital as at the Latest Practicable Date.

14.2 Barratt Shares

Redrow has received irrevocable undertakings from each of the Barratt Directors who hold Shares to vote in favour of the Barratt Resolution at the Barratt General Meeting in respect of a total of 1,690,704 Shares representing, in aggregate, approximately 0.173 per cent. of Barratt's issued ordinary share capital as at the Latest Practicable Date.

Redrow has therefore received irrevocable undertakings in respect of a total of 1,690,704 Shares representing, in aggregate, approximately 0.173 per cent. of Barratt's issued ordinary share capital as at the Latest Practicable Date.

15 Dilution

Barratt proposes to issue 476,309,153 New Barratt Shares in connection with the Combination. The New Barratt Shares will constitute approximately 32.8 per cent. of the Combined Issued Share Capital.

Immediately following Completion, assuming that 476,309,153 New Barratt Shares are issued in connection with the Combination, Existing Barratt Shareholders as at the Latest Practicable Date will, together, own

approximately 67.2 per cent. of the ordinary share capital of the Combined Group and the Redrow Shareholders will hold in aggregate approximately 32.8 per cent. of the ordinary share capital of the Combined Group.

16 Redrow Share Plans

Participants in the Redrow Share Plans will be contacted regarding the effect of the Combination on their rights under the Redrow Share Plans and appropriate proposals will be made to such participants in due course. Further details of the terms of such proposals will be included in the Scheme Document and in separate letters to be sent to participants in the Redrow Share Plans.

17 Barratt General Meeting

The Barratt Resolution to be proposed at the Barratt General Meeting is to:

- approve the Combination as a “Class 1 transaction” under the Listing Rules; and
- authorise the Barratt Directors to allot the New Barratt Shares in an aggregate nominal amount of £47,630,915.30.

Accordingly, you will find set out at Part IX—“*Notice of Barratt General Meeting*” of this Circular a notice convening the Barratt General Meeting to be held at the Seligman Theatre, Royal College of Physicians, 11 Saint Andrew’s Place, London, NW1 4LE at 10.00 a.m. on 15 May 2024 (or any adjournment thereof) and the full text of the Barratt Resolution and other matters. The purpose of the Barratt General Meeting is to seek Barratt Shareholders’ approval for the Barratt Resolution.

The authority to allot the New Barratt Shares represents approximately 32.8 per cent. of the total issued ordinary share capital of Barratt as at the Latest Practicable Date (as at the Latest Practicable Date, Barratt held no Shares in treasury). The passing of the Barratt Resolution requires more than 50 per cent. of the votes cast in person or by proxy in respect of the Barratt Resolution to be in favour of it. If the Barratt Resolution is passed, this authority will expire at the conclusion of the annual general meeting of Barratt to be held in 2024 (unless previously revoked, renewed, varied or extended).

The full text of the Barratt Resolution and other matters is set out in the Notice of General Meeting attached at Part IX—“*Notice of Barratt General Meeting*” to this Circular. If the Barratt Resolution is not passed, the Scheme will not proceed.

Barratt Shareholders should be aware that it is possible that the Combination fails to complete. This possibility is discussed further in Part III—“*Risk Factors*” of this Circular.

18 Further information

Your attention is drawn to the further information contained in Part II—“*Letter from the Chair*” to Part VII—“*Additional Information*” of this Circular. Barratt Shareholders should read the whole of this Circular and not rely solely on information summarised in this letter. In addition, please see paragraph 16 of Part VII of this Circular for documents of which certain parts are incorporated by reference into, and form part of, this Circular.

19 Financial advice

The Barratt Board has received financial advice from UBS and Morgan Stanley in relation to the Combination. In providing their advice to the Barratt Board, UBS and Morgan Stanley have taken into account the commercial assessments of the Barratt Directors.

20 Recommendation

The Barratt Board considers the Combination to be in the best interests of Barratt and Barratt Shareholders as a whole and unanimously recommends that Barratt Shareholders vote in favour of the Barratt Resolution at the Barratt General Meeting, as those Barratt Directors who hold Shares have irrevocably undertaken to do in respect of their own beneficial holdings of Barratt Shares.

Yours faithfully

Caroline Silver

Chair

PART III RISK FACTORS

Before making any decision to vote in favour of the Barratt Resolution at the Barratt General Meeting, Barratt Shareholders should consider the factors and the risks associated with the Combination and, in the case of the Combined Group, the business and the industry in which it will operate, together with all other information contained in this Circular, including, in particular, the risk factors described below. The risks disclosed are those that: (i) are material risks in relation to the Combination; (ii) will be material new risks to the Combined Group as a result of the Combination; and/or (iii) are existing material risks for the Barratt Group that will be affected by the Combination. Because a significant part of the Barratt Group's and Redrow Group's operations are similar in nature, some of the risks set out below (not including those specific to the Combination) will not be new risks that arise only on Completion, but will be existing risks whose potential effect may be increased as a result of the Combination.

There are other risks relating to the Barratt Group and the Barratt Shares that are not within the scope of the risk categories outlined above, and such risks can be found in the Prospectus. The following is not an exhaustive list or explanation of all the risks that may affect the Barratt Shares, the Barratt Group and, following Completion, the Combined Group and should be used as guidance only. Additional risks and uncertainties relating to the Barratt Shares, the Barratt Group and the Combined Group that are not currently known to the Barratt Directors, or that the Barratt Directors currently deem immaterial, may, individually or cumulatively, also have a material adverse effect on the business, prospects, financial condition and/or results of operations of the Barratt Group and, following Completion, the Combined Group, and, if any such risk should materialise, the price of the Barratt Shares may decline and investors could lose all or part of their investment.

If any of the following risks actually materialise, the Combined Group's business, prospects, financial condition and/or results of operations could be materially adversely affected and the value of the Barratt Shares could decline.

The information included herein is based on information available as at the date of this Circular and, except as requested by the FCA or required by the Listing Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation or any other applicable law, will not be updated. Any forward-looking statements are made subject to the reservations specified under the heading "Forward-Looking Statements" in Part IV—"Presentation of Information" of this Circular.

Barratt Shareholders should consider carefully the risks and uncertainties described below, together with all other information contained in this Circular (including any information incorporated into this Circular by reference) before deciding whether or how to vote in respect of the Barratt Resolution at the Barratt General Meeting.

1 MATERIAL RISKS RELATED TO THE COMBINATION AND MATERIAL RISKS TO THE BARRATT GROUP OR THE COMBINED GROUP AS A RESULT OF THE COMBINATION

1.1 *Barratt and Redrow are subject to, and, following Completion, the Combined Group will be subject to, legal obligations and policies associated with remediation undertakings, including fire safety issues, on legacy properties which may result in additional costs*

Following on from events such as the tragic Grenfell Tower fire in June 2017, authorities have increased (and may increase further) regulations relating to cladding and remedial fire safety work. In light of such increased regulation (or future increased regulation), there is a risk that, in addition to any such issues or works identified, further properties owned and/or developed by Barratt, Redrow or, following Completion, the Combined Group may in the future be discovered to have been built with materials that are assessed to be and/or have the potential to be, the cause of, or a contributing factor to, a fire or other destruction of properties, or compromise residents' safety, or built with insufficient protection to prevent the spread of fire to the degree required by current or future regulations.

In March 2023, Barratt and Redrow signed the self-remediation terms and contract (the "SRTC") with the UK Government and in April 2023 signed the equivalent agreement with the Welsh Government, committing to additional legal and constructive obligations to undertake or fund remedial work on legacy buildings in England and Wales. Barratt and Redrow are consequently required to address life-critical fire-safety issues on all residential and mixed-use (including one or more residential units) buildings 11 metres and above in England developed by them in the 30 years prior to 5 April 2022. As part of the SRTC, Barratt and Redrow have agreed not to claim any funds from the UK Government's Building

Safety Fund (the “**Building Safety Fund**”) and to reimburse claims made by leaseholders and other affected parties to the Building Safety Fund. On 31 May 2023, Barratt signed the Scottish Safer Buildings Accord, committing Barratt to similar remedial responsibilities for legacy properties in Scotland. While the Scottish Safer Buildings Accord is not legally binding, Barratt has begun incurring costs on Scottish developments with identified defects as it evaluates remediation needs. Barratt anticipates that the Scottish Safer Buildings Accord will be incorporated through a legal form contract in the future, which will increase Barratt’s legal obligations in respect of remediation costs and potential action by the Scottish Government. It is not yet clear whether the standard of remediation in Scotland will be the same as that in England and Wales. As a result, Barratt has paused further remediation in its Scottish properties pending new legislation coming into force in Scotland.

As at 31 December 2023, Barratt held unaudited provisions of £582.6 million for cladding external wall systems in relation to legacy fire-safety remediation works and Redrow held an unaudited legacy fire safety remediation provision of £181 million. The provision assessments in Barratt’s and Redrow’s financial statements and accounts are based on what Barratt and Redrow, respectively, estimate the cost and timing of remediation of in-scope buildings to be. It is possible that the number of buildings requiring remediation may increase, either because buildings which hold valid EWS1 certificates are found to require remediation or because investigatory works identify remediation not previously identified or because defects are identified by building owners or occupiers. It is also possible that as remediation work proceeds, additional remedial works are required which do not relate to cladding solutions. Such works may not have been identified from the reviews and physical inspections undertaken to date and may only be identified when detailed remediation work is in progress. For example, Barratt discovered structural deficiencies while performing cladding remediation on its Croydon Citiscape development in 2019. Barratt incurred costs as a result of the deficiencies at that development and began an associated review—and where required remediation—of other developments. Additional structural issues with reinforced concrete frames have been discovered at 60 of Barratt’s buildings, requiring additional remediation. A further 74 buildings were investigated and found to have no remediation required. There are no buildings that remain to be assessed.

Barratt held unaudited legacy property provisions of £63.4 million for reinforced concrete frames as at 31 December 2023. Analysis of the work required to prevent potential issues with reinforced concrete frames is however ongoing, and as such, the nature, timing, and extent of future costs is uncertain.

In addition, three of the buildings at Elektron, a four-building development in Limehouse, London, were constructed using a unitised curtain walls system which has not been used elsewhere in the Group. As at 31 December 2023, Barratt held a provision for the cost of the fire test and some minor remediation works already identified at Elektron, but the current estimate of the range of incremental costs to remediate cladding at Elektron is up to £90 million, with the upper end of the range supporting full replacement of the system if required. Further work will be required to refine the remediation estimate.

The UK government’s policy towards cladding and remedial fire safety work may also require Barratt, Redrow and, following Completion, the Combined Group, to comply with additional obligations. Under the Building Safety Act 2022, Barratt, Redrow and, following Completion, the Combined Group are liable for the safety of the buildings that they build, regardless of height, including the safety of the occupants. They are required to comply with all applicable regulations and standards, and are responsible for ensuring that the buildings that they build are fire safe. They must also ensure that necessary safety measures and processes are in place, and that defects or risks are identified and addressed. The UK Government has also introduced various secondary legislation pursuant to the Building Safety Act 2022 which imposes additional obligations on Barratt and Redrow and gives the Secretary of State and the courts/first-tier tribunal wide-ranging powers to impose further liability on Barratt and Redrow. For example secondary legislation has been introduced to ensure that developers who do not comply with their remediation commitments will be severely restricted in their normal trading operations. Furthermore, buildings that are deemed to be “higher-risk” are required to be registered with the Building Safety Regulator and the first-tier tribunal has powers to impose remediation contribution orders on developers on the application of interested parties where they consider it to be just and equitable to do so.

In addition, the retrospective review of building materials and fire-safety matters continues to evolve. Estimated costs associated with remedial work on legacy properties are inherently subject to change and such costs may increase if, among other things, government legislation and regulation further expand the scope of required remediation. For example, there is a risk that the UK Government could issue further guidelines in relation to combustible materials, including aluminium composite material cladding, high pressure laminate, and/or wood cladding and/or other external structures including balconies, fire safety

procedures or otherwise as result of which it may be necessary for Barratt, Redrow or, following Completion, the Combined Group to close or refurbish their buildings. If such an event occurs, the Barratt Group, Redrow Group or Combined Group's income from the particular property may be reduced, there may be significant costs and expenses to rebuild the property and/or rectify the problem and the returns of the Barratt Group, the Redrow Group or, following Completion, the Combined Group may decrease. The brand and reputation of Barratt, Redrow and, following Completion, the Combined Group may also be harmed.

Any change in policy relating to remediation work on legacy properties could have a material adverse effect on the business, prospects, financial condition and/or results of operation of Barratt, Redrow and, following Completion, the Combined Group.

1.2 *The employees and contractors of Barratt, Redrow and, following Completion, the Combined Group may fail to operate in accordance with laws and regulations (such as health, safety and environment laws as well as anti-bribery and corruption and anti-cartel laws and regulations)*

Unsafe practices in the activities of Barratt, Redrow or, following Completion, the Combined Group may cause injury or death to stakeholders. This could lead to a loss of trust in the ability of Barratt, Redrow and, following Completion, the Combined Group to build homes safely and in an environmentally responsible way, affecting the reputation and financial health of Barratt, Redrow and, following Completion, the Combined Group. Operating in the homebuilding industry poses certain HSE-related risks, and the UK Government, housing associations, together with the Barratt Group's, the Redrow Group's and, following Completion, the Combined Group's, suppliers and customers is/are increasingly focused on ESG-related issues.

Each of Barratt and Redrow has adopted, and, following Completion, the Combined Group is expected to maintain, policies and procedures to seek to ensure that their employees operate to high ethical standards and in accordance with all related applicable laws and regulations including in relation to HSE laws as well as anti-bribery and corruption and anti-cartel laws and regulations. They also have procedures in place designed to seek to ensure that their suppliers, contractors and sub-contractors similarly comply. Compliance with HSE laws, regulations and policies may result in the delay of projects or may give rise to substantial compliance, remediation and/or other costs.

In the event that any employees, suppliers, contractors and/or sub-contractors are in breach of any of these laws or regulations (whether past or present), or in the event of a significant HSE incident at one of the developments of Barratt, Redrow or, following Completion, the Combined Group, or in the event of a general deterioration in the HSE standards of Barratt, Redrow or, following Completion, the Combined Group, Barratt, Redrow or the Combined Group (as applicable) could be subject to investigation, adverse publicity, reputational damage, loss of relationships with public sector entities and ultimately to prosecution and/or the imposition of fines. More generally, any failure in HSE performance, including any delay in responding to changes in HSE regulations, particularly in light of evolving standards and potential new implementing legislation, may result in penalties for non-compliance with relevant regulatory requirements. HSE legislation is continually evolving and the trend has been towards stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed developments and increasing responsibility for companies and their officers, directors and employees. In the future, monitoring and ensuring HSE best practices may become increasingly expensive for Barratt, Redrow and, following Completion, the Combined Group, and HSE risks may become more acute as Barratt, Redrow and, following Completion, the Combined Group undertake larger-scale projects, or during periods of intense activity. Any of these risks, were they to materialise, could have a material adverse effect on the operating results, business prospects and financial condition of Barratt, Redrow and, following Completion, the Combined Group.

Additionally, with respect to the environment, Barratt, Redrow or, following Completion, the Combined Group may be liable for the costs of removal, investigation or remediation of hazardous or toxic substances located on, under or in a property currently or formerly owned, leased or occupied by Barratt, Redrow or, following Completion, the Combined Group, whether or not it caused or knew of the pollution. Barratt, Redrow or, following Completion, the Combined Group may also be deemed responsible for latent or historical risks from unknown contamination or may incur greater liability or costs than originally anticipated. Barratt, Redrow or, following Completion, the Combined Group may also be subject to penalties and fines as a result of non-compliance with contamination-related regulations. The costs of remediation or defending against environmental claims can be substantial, and they may not be covered by the insurance policies of Barratt, Redrow or the Combined Group. Although

Barratt and Redrow commission, and, following Completion, the Combined Group will commission third-party environmental reports on such sites and endeavour to factor all identified risks into the project costs, no assurances can be given that material claims or liabilities relating to these developments will not arise in the future.

1.3 *Completion is subject to a number of conditions which may not be satisfied or waived or which may be satisfied subject to conditions imposed by regulatory bodies or other third parties and may result in Completion being delayed, the Combination not completing, or Barratt or Redrow being subject to some other adverse impact in order to satisfy any such conditions so imposed (e.g. UK merger remedies)*

The Combination is subject to the terms and conditions set out in the Scheme Document and shall only become effective if, among other things, the following events occur on or before 11.59 p.m. on the Longstop Date:

- the approval of the Scheme by a majority in number of the Redrow Shareholders on the register of members of Redrow at the Scheme Voting Record Time who are present and vote, whether in person or by proxy, at the Redrow Court Meeting and who represent 75 per cent. or more in value of the Redrow Shares voted by those Redrow Shareholders;
- the Special Resolution required to approve and implement the Scheme being duly passed by Redrow Shareholders representing the requisite majority or majorities of votes cast at the Redrow General Meeting;
- the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Redrow and Barratt);
- the delivery of a copy of the Court Order to the Registrar of Companies;
- the Competition and Markets Authority issuing a conditional (in terms reasonably satisfactory to Barratt), or unconditional decision that it does not intend to make a Phase 2 CMA Reference (being an in-depth investigation into whether the Combination may be expected to result in a substantial lessening of competition), or in the event the CMA makes a Phase 2 CMA Reference, the CMA confirming that the Combination may proceed (with, or without, undertakings or conditions (in terms reasonably satisfactory to Barratt));
- the Barratt Resolution being passed by a simple majority of the votes cast by Barratt Shareholders at the Barratt General Meeting; and
- the FCA having acknowledged that the application for Admission has been approved and the London Stock Exchange having acknowledged that the New Barratt Shares will be admitted to trading on the Main Market.

The Scheme will lapse if:

- the Redrow Court Meeting and the Redrow General Meeting are not held by 6 June 2024, or if later, the date of the Barratt General Meeting (or such later date as may be agreed between Barratt and Redrow);
- the Court Hearing is not held by the later of: (a) the 22nd day; and (b) the day that is equal to the number of days that the Redrow Court Meeting and Redrow General Meeting were held after 15 May 2024, or if later, after the date of the Barratt General Meeting, after the expected date of such hearing set out in the Scheme Document (or such later date as may be agreed between Barratt and Redrow);
- the Scheme does not become effective by 11.59 p.m. on the Longstop Date,

provided, however, that the deadlines for the timing of the Redrow Court Meeting, the Redrow General Meeting and the Court Hearing as set out above may be waived by Barratt, and the deadline for the Scheme to become effective may be extended by agreement between Redrow and Barratt.

There is no guarantee that the Conditions will be satisfied (or waived, if applicable) in the necessary time frame and the Combination may, therefore, be delayed or not complete. Any delay to Completion will prolong the period of uncertainty for Barratt and Redrow and both delay and failure to complete may result in the accrual of additional costs to their respective businesses (for example, there may be an increase in costs in relation to the preparation and issue of documentation or other elements of the

planning and implementation of the Combination) without any of the potential benefits of the Combination having been achieved. In addition, the management of Barratt and Redrow have spent time in connection with the Combination, which could otherwise have been spent more productively in connection with the other activities of Barratt or Redrow, as applicable. Therefore, the consequences of a material delay in completing or failure to complete the Combination, when taken in aggregate, may have a material adverse effect on the business, prospects, financial condition and/or results of operation of Barratt, Redrow and, in the case of a delay only, the Combined Group.

1.4 *The Combination is conditional on obtaining the CMA Clearance*

The Combination is subject to receipt of the CMA Clearance on terms reasonably satisfactory to Barratt. To secure the CMA Clearance, the CMA may require undertakings (in terms reasonably satisfactory to Barratt), which may include (but are not limited to) the divestment of assets of Redrow and/or Barratt. The implementation of any such undertakings may have a negative impact on the value of the Combined Group.

1.5 *Barratt and Redrow are subject to a competition investigation by the CMA in relation to suspected exchanges of competitively sensitive information*

On 26 February 2024, the CMA launched an investigation into suspected breaches of competition law by eight housebuilders, including Barratt and Redrow, relating to concerns that the housebuilders may have exchanged competitively sensitive information (the “**CMA Investigation**”). The investigation is at an early stage and the CMA has not reached a view as to whether there is sufficient evidence of an infringement of competition law. An adverse outcome of the CMA’s investigation, which may include a finding of infringement and the levying of fines, may have a material adverse impact on the business, prospects, financial condition, reputation and/or results of operations of Barratt, Redrow and, following Completion, the Combined Group.

1.6 *The Combination subjects Barratt, Redrow and, following Completion, the Combined Group and their investors to potential significant risks as a result of the integration process and unanticipated liabilities*

Barratt’s, Redrow’s and, following Completion, the Combined Group’s future prospects will, in part, be dependent upon Barratt’s, Redrow’s and the Combined Group’s ability to integrate Redrow successfully and completely, without disruption to their existing businesses. Barratt and Redrow currently operate, and until Completion, will continue to operate, as separate and independent businesses. The Combination will lead to the combination of these businesses and the success of the Combined Group will depend, in part, on the ability of the Combined Group to realise anticipated benefits and cost savings. While Barratt believes that the synergies of the Combination have been reasonably estimated, unanticipated events, liabilities, tax impacts or unknown pre-existing issues may arise or become apparent which could result in the costs of integration being higher than the realisable benefits and/or the synergies being lower than expected, resulting in a material adverse effect on the business, prospects, financial condition and/or results of operations of the Combined Group and the market price of the Shares. No assurance can be given that the integration process will deliver all or substantially all of the expected benefits, including that of implementing a more centralised operating model, within the assumed timeframe. Additionally, some of the potential challenges in combining the businesses into the Combined Group may not become known until after Completion.

It is also possible that the process of integrating Barratt’s existing business with that of Redrow, including any IT systems, may take longer or be more costly than anticipated, or could result in the disruption of the Combined Group’s businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the ability of the Combined Group to maintain relationships with suppliers, contractors, sub-contractors, housing associations, local authorities, government agencies and customers and to maintain quality standards. In relation to suppliers, the Combined Group may find difficulty in switching to and integrating suppliers to meet the demands of the Combined Group, and this may lead to initial delays or changes to call-off processes during the period of integration. The Combination could also potentially lead to difficulties in connection with employees, including difficulties in retaining key members of staff as well as difficulties in integrating employees from each of the separate businesses together into the Combined Group and harmonising work practices across the Combined Group.

In addition, if the Combined Group fails to deliver product quality and service standards that meet customers’ expectations, which currently trend at a 5-star HBF Customer Satisfaction Rating for each of Barratt and Redrow, or a fall in the standards expected from supervisory bodies may diminish the

reputation of the Combined Group, which may have an adverse effect on sales volumes and returns. Additionally, excessive time and expense spent rectifying and compensating customers may impact planned business operations. Any such drop in the standard of customer service following Completion could adversely affect the Combined Group's business, prospects, financial condition and/or results of operations.

The market price of the Shares may decline as a result of the Combination if, among other factors, the integration of Redrow's business into Barratt is delayed or unsuccessful, the expected benefits and synergies of the Combination are delayed or do not materialise at all or to the extent expected, if the impact of the Combination on the financial results of Barratt or Redrow is not consistent with Barratt Shareholders' expectations or if Barratt Shareholders sell a significant number of Shares in the open market following Completion.

The due diligence conducted by Barratt on Redrow in connection with the Combination may not have revealed all relevant considerations, liabilities or regulatory issues in relation to Redrow, including the existence of facts that may otherwise have impacted the determination of the consideration per Redrow Share or the formulation of a business strategy for Barratt, Redrow or the Combined Group subsequent to the Combination. In addition, information provided during the due diligence process may have been incomplete, inadequate or inaccurate.

The materialisation of any of the risks described above could have a material adverse effect on Barratt, Redrow and, following Completion, the Combined Group's business, prospects, financial condition and/or results of operations and the market price of the Barratt Shares.

1.7 *Barratt and Redrow rely, and, following Completion, the Combined Group is expected to rely, on its senior management team and may be unable to attract and/or retain key managers or a highly skilled and experienced workforce*

The success of Barratt and Redrow and, following Completion, the Combined Group, depends on retaining, developing and recruiting highly skilled, competent people at all levels of the organisation. Barratt and Redrow experience, and, following Completion, the Combined Group is expected to experience, a degree of regular employee turnover, which could place strain on the business of Barratt, Redrow and the Combined Group during periods of high activity. The success of Barratt, Redrow and, following Completion, the Combined Group may make their employees attractive hiring targets for competitors. To retain key employees, Barratt, Redrow and, following Completion, the Combined Group may be required to keep pace with increases in salaries due to competitive pressures. In addition, Barratt and Redrow rely on their respective project managers and skilled personnel for the day-to-day execution of their respective projects, and qualified personnel for these key positions are in high demand and short supply.

Each of Barratt and Redrow has a strong senior management team who have significant experience in the homebuilding industry and have developed strong reputations and relationships among those with whom they, respectively, do business including, in particular, local authorities and Homes England. Following Completion, the Combined Group's future success will depend in large part upon the continued service of a strong senior management team, who are critical to the overall management of the Combined Group as well as the development of its business, culture and strategic direction. Neither Barratt nor Redrow maintains key person insurance. If, following Completion, the Combined Group is not able to attract and retain key personnel or develop a succession plan for senior management, the Combined Group may not be able to maintain its standards of service or continue to grow as anticipated. The risk that key personnel are not retained by the Combined Group may be heightened by virtue of the planned integration process following Completion. See "*—The Combination subjects Barratt, Redrow and, following Completion, the Combined Group and their investors to potential significant risks as a result of the integration process and unanticipated liabilities*".

1.8 *The Combined Group's intended strategy for effectively positioning and integrating the Barratt Homes, David Wilson Homes and Redrow brands as part of a multi-brand portfolio may be unsuccessful*

Following Completion, the Combined Group intends to drive value and realise cost synergies through the strategic positioning and integration of the Barratt Homes, David Wilson Homes and Redrow brands on shared development sites. The Combined Group's strategy of site trading and multi-branded sites aims to optimise sales channels and reduce overheads by utilising shared personnel and resources where possible.

However, the realisation of these synergies is not guaranteed, and the site-sharing strategy may pose additional risks for the Combined Group which could undermine the potential benefits.

The Combined Group's three brands are likely to perform differently at different sites. It may not be predictable at the outset which of the Barratt Homes, David Wilson Homes and Redrow brands is best suited to allow the Combined Group to capitalise on specific development sites. The Combined Group may fail to realise unrecognised site-specific opportunities, where one brand may have an advantage over the other, leading to suboptimal brand allocation and, consequently, reduced sales volumes and returns.

The Combined Group will also face the risk of a dilution in the individual identities of its three brands, which maintain distinct design specifications and target different market segments. It is not guaranteed that the Combined Group will be able to maintain the distinct identities of the Barratt Homes, David Wilson Homes and Redrow brands following Completion, and the Combined Group may be unable to take advantage of the optionality provided by a multi-brand portfolio.

There is also a risk that the market positioning of the Barratt Homes, David Wilson Homes and Redrow brands may be impacted if personnel are interchanged or if design and brand guidelines become blurred during the integration. If the Combined Group fails to maintain brand discipline and distinctiveness within the multi-brand strategy, this could lead to confusion in the market, unsatisfactory customer experience and ultimately a negative impact on sales volumes and profitability. Any failure in this regard may adversely affect the Combined Group's business, prospects, financial condition and/or results of operations.

1.9 There may be changes to Barratt or Redrow prior to Completion

During the period from publication of this Circular through to Completion, events or developments may occur, including changes in trading, operations or outlook of Barratt or Redrow, or external market factors, which could make the terms of the Combination less attractive for Barratt. Barratt would not have the ability to terminate the Combination as a result of such events or developments. This may have an adverse effect on the Combined Group's business, prospects, financial condition and/or results of operations.

1.10 The value of Redrow may be less than anticipated

Barratt will only be entitled to not implement the Combination in certain limited circumstances. In the event that there is an adverse event affecting the value of Redrow or the value of Redrow's business declines prior to Completion, Barratt would not have the ability to terminate the Combination as a result of such events or developments and the value of Redrow acquired by Barratt may be less than previously anticipated. Accordingly, following Completion, the net assets of the Combined Group could be reduced, which could have an adverse impact on the business, prospects, financial condition and/or results of operations of the Combined Group and the price of the Shares.

1.11 Change of control provisions in Redrow's agreements may be triggered upon Completion and may lead to adverse consequences

The Combination may constitute a change of control event under certain of Redrow's commercial agreements, which may give the respective counterparties to those agreements the right to terminate those agreements or impose other obligations on Redrow. For example, Redrow has issued approximately £48 million of promissory notes in favour of certain financial institutions, which contain change of control provisions triggered as a result of the Combination. If a counterparty to an agreement, including any financial institutions that are lenders under Redrow's promissory notes, exercises its right to terminate that agreement or seeks to renegotiate its contracts, this could have a material adverse effect on the business, prospects, financial condition and/or results of operations of the Combined Group.

1.12 There may be an adverse impact on Barratt's reputation if the Combination does not complete

If the Combination does not complete, there may be an adverse impact on the reputation of Barratt as a result of media scrutiny arising in connection with the attempted Combination. In the future, this may make it more difficult for Barratt to make other acquisitions. Any such reputational risks could adversely affect Barratt's business, prospects, financial condition and/or results of operations.

1.13 *Combination-related costs may exceed Barratt's expectations*

Barratt expects to incur costs in relation to the Combination, including integration and post-Completion costs, in order to implement the Combination successfully and deliver anticipated costs savings. The actual costs may exceed those estimated and there may be additional and unforeseen expenses incurred in connection with the Combination. In addition, Barratt and Redrow have incurred, and will incur, legal, accounting and transaction fees and other costs relating to the Combination, a material part of which are payable whether or not the Combination completes. Costs that exceed Barratt's expectations could materially and adversely affect Barratt's or, following Completion, the Combined Group's business, prospects, financial condition and/or results of operations.

1.14 *Barratt, Redrow and, following Completion, the Combined Group may not be able to access debt financing on favourable terms in the longer term and/or restrictions in the terms of Barratt's or Redrow's future borrowings may restrict Barratt's, Redrow's or, following Completion, the Combined Group's activities or business plans and adversely affect Barratt's, Redrow's or the Combined Group's ability to finance ongoing operations, strategic acquisitions and investments in the longer term*

Each of Barratt and Redrow has historically financed and currently finance, and, following Completion, the Combined Group is expected to finance, their operations in part from borrowings under available credit facilities. Upon the expiry of their respective existing credit facilities from, in the case of Barratt, November 2028 and, in the case of Redrow, September 2025, there is a risk that they will be unable to secure sufficient further funding for their business operations on equivalent terms or at all. Barratt, Redrow and, following Completion, the Combined Group, may also in the future seek additional bank borrowings or issue debt for future expansion and development of the business in the longer term. No assurance can be given as to the availability of such additional financing at the relevant time or, if available, whether it would be on acceptable terms. If, in the longer term, Barratt, Redrow or the Combined Group do not successfully obtain further financing (should they be required to fund their future investments), this may constrain the ability of Barratt, Redrow and, following Completion, the Combined Group to grow, which could have a material adverse impact on the business, prospects, financial condition and/or results of operations of Barratt, Redrow and, following Completion, the Combined Group.

Additionally, the credit facilities and other borrowings of Barratt and Redrow impose certain restrictions on Barratt and Redrow, which could limit the ability of Barratt or, following Completion, the Combined Group to operate freely and to take actions which their respective boards of directors consider desirable. These include restrictions on the ability of Barratt and Redrow to create or permit to subsist any charges, liens or other encumbrances in the nature of a security interest; incur additional indebtedness by way of borrowing, leasing commitments, factoring of debts or granting of guarantees; make any substantial change to the general nature of their businesses as presently conducted; sell, transfer, lease or otherwise dispose of all or a substantial part of their assets; enter into transactions with affiliates; or, in the case of Barratt, acquire any businesses. If Barratt or Redrow were to seek to vary or waive any of these restrictions (for example, in the aftermath of material adverse movements in the valuation of their assets) and the relevant lenders did not agree to such variation or amendment, the restrictions may limit the ability of Barratt, Redrow or, following Completion, the Combined Group to plan for or react to market conditions or meet capital needs or otherwise restrict their activities or business plans and adversely affect their ability to finance ongoing operations, strategic acquisitions and investments.

In particular, if Barratt or Redrow failed to comply with the financial covenants in their credit facilities or other borrowings (due, for example, to deterioration in financial performance or falls in asset valuations), it could result in acceleration of either of their obligations to repay those borrowings or the cancellation of those credit facilities or an inability to refinance borrowings more generally. Barratt and Redrow currently operate within their financial covenants. However, without prejudice to the working capital statement contained elsewhere in this Circular, Barratt's and Redrow's performance may, in the longer term, be impacted by adverse developments in external factors outside their control (including with respect to the macroeconomic environment) which could lead to breaches in, among other things, gearing ratios (for example, if property valuations fall), interest cover ratios (for example, if income falls), minimum tangible net worth requirements (for example, if Barratt or Redrow make operating losses) and, in the case of Redrow, land and work-in-progress value requirements (for example, if the value of land held for development falls).

These risks may have a material adverse impact on the business, prospects, financial condition and/or results of operations of Barratt, Redrow or the Combined Group.

1.15 *The issue of New Barratt Shares and any future issue of Shares, including in connection with an offering, any future acquisitions, any share incentive or share option plan or otherwise, may have a dilutive effect on the holdings of Barratt Shareholders*

The issue of New Barratt Shares will be on the basis of a share-for-share exchange with the Redrow Shareholders (that is, for non-cash consideration). This will dilute the interests of the Existing Barratt Shareholders in the Company, which will consequently mean that their proportionate ownership and voting interests in the Company will be reduced, and the percentage that their shares will represent of the total share capital of the Company will decrease accordingly. It is anticipated that Existing Barratt Shareholders will be diluted by approximately 32.8 per cent.

In the case of future issues of Shares for cash, Barratt Shareholders have certain statutory pre-emption rights unless those rights are disapplied by a special resolution of the Barratt Shareholders at a general meeting. An issue of Shares not for cash or when pre-emption rights have been disapplied could dilute the interests of the then existing Barratt Shareholders. Even where pre-emption rights do apply, holders of Shares who are located in certain restricted jurisdictions (e.g. the US) may not be able to exercise their pre-emption rights unless a registration statement under the laws of the relevant jurisdiction is effective with respect to such rights or an exemption from the registration requirements is available thereunder. There can be no assurance that Barratt will file any such registration statements, or that an exemption to the registration requirements of the local jurisdiction will be available, which would result in Barratt Shareholders in restricted jurisdictions being unable to participate in any such future issue.

If Barratt Shareholders do not or cannot participate in future issues of Shares, their proportionate ownership and voting interests in the Company may be reduced and the percentage that their Shares will represent of the total share capital of the Company will be reduced accordingly. This could also have an adverse impact on the market price of the Shares, the value of a Barratt Shareholder's interest in the Company and the ability of the Company to raise funds to meet its business requirements.

PART IV PRESENTATION OF INFORMATION

General

This Circular does not constitute an offer of, or an invitation to any person by or on behalf of, the Company, Redrow, the Barratt Directors, the Redrow Directors or the Banks to subscribe for or purchase any New Barratt Shares in any jurisdiction where it is unlawful to make such an offer or invitation. The distribution of this Circular may be restricted by law. Persons into whose possession this Circular comes are required by the Company, the Barratt Directors and the Banks to inform themselves about and to observe any such restrictions.

No person has been authorised to give any information or to make any representations other than those contained in this Circular in connection with Admission and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, Redrow, the Barratt Directors, the Redrow Directors or the Banks.

The Company does not undertake to update this Circular, unless required by law, and therefore no assumption should be made that the information in this Circular is accurate as of any date other than the close of business on the Latest Practicable Date or the date of this Circular, as applicable.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Banks by the FSMA or the regulatory regime established thereunder, neither of the Banks nor any of their respective subsidiaries, holding companies, branches or affiliates nor any of their respective directors, officers, employees, agents or advisers, owes or accepts or shall assume any duty, responsibility or liability whatsoever (whether direct or indirect and whether arising in contract, in tort, contract under statute or otherwise) to any person in relation to the Combination, Admission or any other matter or arrangement referred to in this Circular or for any acts or omissions of the Company and no representation or warranty, express or implied, is made by any of them as to the contents of this Circular, including its accuracy, completeness, verification or sufficiency, or for any other statement made or purported to be made by the Company, or on its behalf, or by any of the Banks, or on their behalf, in connection with the Barratt Group, the Combined Group, the Combination, the Admission or the New Barratt Shares, and nothing in this Circular is, or shall be relied upon as, a promise or representation in this respect, whether or not to the past or future. To the fullest extent permitted by law, the Banks and their respective subsidiaries, holding companies, branches and affiliates and their respective directors, officers, employees, agents or advisers accordingly disclaim all and any duty, responsibility or liability whatsoever (whether direct or indirect and whether arising in tort, contract, under statute or otherwise (save as referred to above)) which they might otherwise have in respect of this Circular or any such statement or otherwise.

Without limitation, the contents of the websites of the Barratt Group and the Redrow Group (or any other websites, including the content of any website accessible from hyperlinks on the websites of the Barratt Group and the Redrow Group) do not form part of this Circular.

Forward-looking statements

This Circular and the information incorporated by reference into this Circular include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “plans”, “goal”, “target”, “aim”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this Circular and the information incorporated by reference into this Circular and include statements regarding the intentions, beliefs or current expectations of the Barratt Directors, the Redrow Directors, the Company, Redrow, the Barratt Group or the Redrow Group concerning, among other things, the operating results, financial condition, prospects, growth, strategies and dividend policy of the Barratt Group, the Redrow Group, and following Completion, the Combined Group, and the industry in which they operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company’s or Redrow’s ability to control or predict. Forward-looking statements are not guarantees of future performance. The Barratt Group’s, the Redrow Group’s and, following Completion, the Combined Group’s, actual operating results, financial condition, dividend policy and the development of the industry in which it operates may differ materially from the impression created by the forward-looking statements contained in this Circular and/or the information incorporated by reference into this Circular. In addition, even if the operating results, financial condition and dividend policy of the Barratt Group, the Redrow Group and following Completion, the

Combined Group, and the development of the industry in which they operate, are consistent with the forward-looking statements contained in this Circular and/or the information incorporated by reference into this Circular, those results or developments may not be indicative of results or developments in subsequent periods.

Important factors that could cause these differences include, but are not limited to, those risks described in Part III—“*Risk Factors*” of this Circular.

You are advised to read this Circular and the information incorporated by reference into this Circular in its entirety, and, in particular, Part III—“*Risk Factors*” of this Circular, for a further discussion of the factors and risks associated with the Combination and, in the case of the Combined Group, the business and the industry in which it will operate. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this Circular and/or the information incorporated by reference into this Circular may not occur.

Other than in accordance with their legal or regulatory obligations (including under the Listing Rules, the Disclosure Guidance and Transparency Rule and the Market Abuse Regulation), neither the Company, Redrow nor the Banks undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise.

Nothing in this Circular constitutes a qualification to the opinion of the Company as to working capital set out in paragraph 10 of Part VII—“*Additional Information*” of this Circular.

Financial information incorporated by reference

The audited consolidated financial statements of the Barratt Group as at and for the year ended 30 June 2023 and the notes thereto as well as the unaudited interim consolidated financial statements of the Barratt Group for the six months ended 31 December 2023 are incorporated by reference into this Circular as further detailed in paragraph 16 of Part VII—“*Additional Information*” of this Circular.

The audited consolidated financial statements of the Redrow Group as at and for the 52 weeks ended 27 June 2021, 53 weeks ended 3 July 2022 and 52 weeks ended 2 July 2023 and the notes thereto as well as the unaudited interim consolidated financial statements of the Redrow Group for the 26 weeks ended 31 December 2023 are incorporated by reference into this Circular as further detailed in paragraph 16 of Part VII—“*Additional Information*” of this Circular.

Presentation of financial information

Unless otherwise stated, financial information for the Barratt Group has been extracted without material adjustment from the annual report and accounts of the Barratt Group for the year ended 30 June 2023 and from the unaudited interim consolidated financial statements of the Barratt Group for the six months ended 31 December 2023. Where information has been extracted from the audited consolidated financial statements of the Barratt Group, the information is audited unless otherwise stated. Where the information has been extracted from the interim consolidated financial statements, the information is unaudited but has been reviewed by Deloitte, the Company’s auditors.

Unless otherwise indicated, financial information for the Barratt Group in this Circular and the information relating to the Barratt Group incorporated by reference into this Circular has been prepared in accordance with IFRS UK and, as regards the Barratt Group’s financial statements, as applied in accordance with the provisions of the Companies Act and should be read in conjunction with the independent auditor’s report thereon.

Unless otherwise stated, financial information for the Redrow Group has been extracted without material adjustment from the annual report and accounts of the Redrow Group and its subsidiaries for the 52 weeks ended 27 June 2021, 53 weeks ended 3 July 2022 and 52 weeks ended 2 July 2023 and from the unaudited interim consolidated financial statements of the Redrow Group and its subsidiaries for the 26 weeks ended 31 December 2023. Where information has been extracted from the audited consolidated financial statements of the Redrow Group, the information is audited unless otherwise stated. Where the information has been extracted from the interim consolidated financial statements, the information is unaudited.

Unless otherwise indicated, financial information for the Redrow Group in this Circular has been prepared in accordance with IFRS UK and, as regards the financial statements of the Redrow Group, as applied in accordance with the provisions of the Companies Act and should be read in conjunction with the independent auditor’s report thereon.

Barratt Shareholders should ensure that they read the whole of this Circular and do not rely on financial information summarised within it.

The information presented in this Circular has in some cases been rounded to the nearest whole number or the nearest decimal. Therefore, the sum of the numbers in a column in a table may not conform exactly to the total figure given for that column. In addition, certain percentages in this Circular reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Pro forma financial information

In this Circular, any reference to “pro forma” financial information is to information which has been extracted without material adjustments from the unaudited pro forma financial information contained in Part VI—“*Pro Forma Financial Information for the Combined Group*” of this Circular.

The unaudited pro forma financial information contained in this Circular has been prepared for illustrative purposes only to illustrate the effect on the Barratt Group’s consolidated income statement and net asset statement of its acquisition of Redrow as if it had taken place on 1 July 2023 in the case of the income statement for the six months ended 31 December 2023, and on 31 December 2023, in the case of the net assets statement. The unaudited pro forma financial information has been derived from: (i) the unaudited consolidated financial statements of the Barratt Group for the six months ended 31 December 2023, which have each been prepared in accordance with IFRS UK as adopted by the UK and incorporated by reference in this Circular; and (ii) the unaudited consolidated financial statements of the Redrow Group for the 26 weeks ended 31 December 2023, which have each been prepared in accordance with IFRS UK as adopted by the UK and incorporated by reference in this Circular.

The unaudited pro forma financial information is for illustrative purposes only. Because of its nature, the unaudited pro forma financial information addresses a hypothetical situation and, therefore, does not represent the actual financial position or results of the Barratt Group, the Redrow Group or, following Completion, the Combined Group. Adjustments and assumptions have been made regarding the Combined Group after giving effect to the Combination. The information upon which these adjustments and assumptions have been made is preliminary, and these kinds of adjustments and assumptions are difficult to make with accuracy. Moreover, the unaudited pro forma financial information does not reflect all costs that are expected to be incurred by the Combined Group in connection with the Combination. For these and other reasons, the actual business, financial condition and results of operations of the Combined Group following the Combination may not be consistent with, or evident from, this unaudited pro forma financial information.

The assumptions used in preparing the unaudited pro forma financial information may not prove to be accurate, and other factors may affect the Combined Group’s business, financial condition or results of operations following the transaction. Any decline or potential decline in the Combined Group’s business, financial condition or results of operations may cause significant variations in the Company’s share price. See Part VI—“*Pro Forma Financial Information for the Combined Group*” of this Circular.

Quantified Financial Benefits Statement

The statements in the Quantified Financial Benefits Statement 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. No statement in the Quantified Financial Benefits Statement should be construed as a profit forecast or interpreted to mean that the Combined Group’s earnings in the first full year following Completion, or in any subsequent period, would necessarily match or be greater than or be less than those of the Barratt Group and/or the Redrow Group for the relevant preceding financial period or any other period.

The estimated pre-tax cost synergies referred to in this Circular are unaudited and are based on analysis by Barratt’s management and on the Barratt Group’s internal records and certain of the Redrow Group’s internal records. They reflect both the beneficial elements and relevant costs. The identified cost synergies will accrue as a direct result of the Combination, and would not be achieved on a standalone basis.

Further information underlying the Quantified Financial Benefits Statement is contained in paragraph 13.1 of Part VII—“*Additional Information*” of this Circular and is set out in full in Appendix I—“*Quantified Financial Benefits Statement*” of this Circular.

No profit forecast or profit estimate

Other than as described in paragraph 6 of Part II of this Circular, no statement in this Circular is intended as a profit forecast or profit estimate and no statement in this Circular should be interpreted to mean that earnings per Barratt Share for the current or future financial years would necessarily match or exceed the historical published earnings per Barratt Share.

Other information relating to the Redrow Group

This Circular contains information regarding the Redrow Group which has been incorporated by reference or accurately reproduced from the information published by Redrow or information provided to Barratt by Redrow for inclusion in this Circular or the Prospectus. As far as Barratt is aware and is able to ascertain from information published by Redrow or otherwise provided to Barratt by Redrow, no facts have been omitted that would render the reproduced information inaccurate or misleading.

Alternative performance measures and non-IFRS UK measures

This Circular contains certain alternative performance measures (“APMs”) that are not defined or recognised under IFRS UK. These APMs are not measures of financial performance under IFRS UK and should not be considered as alternatives to other indicators of the Barratt Group’s or the Redrow Group’s operating performance, cash flows or any other measure of performance derived in accordance with IFRS UK. Information regarding these APMs is sometimes used by investors to evaluate the efficiency of a company’s operations and its ability to employ its earnings toward repayment of debt, capital expenditures and working capital requirements. There are no generally accepted principles governing the calculations of these APMs and the criteria upon which these measures are based can vary from company to company. These APMs, by themselves, do not provide a sufficient basis to compare the Barratt Group’s or the Redrow Group’s performance with that of other companies and should not be considered in isolation or as a substitute for operating profit or any other measure as an indicator of operating performance, or as an alternative to cash generated from operating activities as a measure of liquidity.

The APMs included in this Circular are as follows:

- Return on capital employed;
- Adjusted gross profit; and
- Adjusted operating margin.

A reconciliation of APMs and non-IFRS UK measures used by the Barratt Group to the nearest IFRS UK line item can be found in the Barratt Annual Report & Accounts 2023 and the Barratt Half Year Report 2024, the relevant parts of which are incorporated by reference into this Circular as set out in paragraph 16 of Part VII—“*Additional Information*”.

A reconciliation of APMs and non-IFRS UK measures used by the Redrow Group to the nearest IFRS UK line item can be found in the Redrow Annual Report & Accounts 2023 and the Redrow Half Year Report 2024, the relevant parts of which are incorporated by reference into this Circular as set out in paragraph 16 of Part VII—“*Additional Information*”.

Currency presentation

Unless otherwise indicated, all references in this Circular to “British pounds sterling”, “£” or “pence” are to the lawful currency of the UK. The Company prepares its financial information in pounds sterling.

Market and industry data

Market data and certain industry forecasts used in this Circular were obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications.

Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy or completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions. Similarly, internal surveys, reports and studies and market research, while believed by the Company to be reliable and accurately extracted by the Company for the purposes of this Circular, have not been independently verified and the Company makes no representation as to the accuracy of such information. The Company confirms that all third-party information, data and statistics contained in this Circular have been accurately reproduced and, so far as the Company is

aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. See “Forward-looking statements” above.

Enforcement of civil liabilities

The ability of an Overseas Shareholder to bring an action against the Company may be limited under law. The Company is a public limited company incorporated in England and Wales. The rights of holders of Shares are governed by English law and by the Company’s memorandum and Barratt Articles of Association. These rights differ from the rights of shareholders in typical US corporations and some other non-UK corporations.

An Overseas Shareholder may not be able to enforce a judgment against some or all of the Barratt Directors, the Proposed Directors and/or executive officers. The Barratt Directors, the Proposed Directors and executive officers are residents of the UK. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon the Barratt Directors, the Proposed Directors and/or executive officers within the Overseas Shareholder’s country of residence or to enforce against the Barratt Directors, the Proposed Directors and/or executive officers judgments of courts of the Overseas Shareholder’s country of residence based on civil liabilities under that country’s securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK against the Barratt Directors, the Proposed Directors and/or executive officers who are residents of the UK or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on the Barratt Directors, the Proposed Directors and/or executive officers in any original action based solely on the foreign securities laws brought against the Company, the Proposed Directors and/or the Barratt Directors in a court of competent jurisdiction in England or other countries.

Available information

If, at any time, the Company is neither subject to Section 13 or Section 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, the Company will furnish, upon request, to any holder or beneficial holder of the New Barratt Shares, or any prospective purchaser designated by any such holder or beneficial owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act. In such cases, the Company will also furnish to each such owner all notices of general Barratt Shareholders’ meetings and other reports and communications that the Barratt Group generally makes available to Barratt Shareholders.

PART V
HISTORICAL FINANCIAL INFORMATION RELATING TO THE REDROW GROUP

The audited consolidated financial statements of the Redrow Group included in:

- (i) the Redrow Annual Report & Accounts 2021;
- (ii) the Redrow Annual Report & Accounts 2022; and
- (iii) the Redrow Annual Report & Accounts 2023,

together with the audit opinions thereon and notes thereto, as well as the unaudited interim consolidated financial statements of the Redrow Group included in the Redrow Half Year Report 2024, are incorporated by reference into this Circular from Part X (*Financial Information of the Redrow Group*) and Appendix II (*Historical Financial Information of the Redrow Group*) of the Prospectus.

The audited consolidated financial statements for Redrow were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and IFRS UK. Each of these consolidated financial statements was audited by KPMG and the audit reports for each such financial year were unqualified.

The Barratt Directors confirm that no material adjustment needs to be made to the financial information of the Redrow Group for the 52 weeks ended 27 June 2021, 53 weeks ended 3 July 2022 and 52 weeks ended 2 July 2023 and the 26 weeks ended 31 December 2023 to achieve consistency with the Barratt Group's accounting policies for the year ended 30 June 2023. The Redrow Group's accounting policies under which this financial information was prepared are not materially different to the Barratt Group's accounting policies.

PART VI
PRO FORMA FINANCIAL INFORMATION FOR THE COMBINED GROUP

Part A
Unaudited pro forma financial information relating to the Combined Group

The unaudited pro forma statement of net assets of the Combined Group and the unaudited pro forma income statement of the Combined Group (together, the unaudited pro forma financial information) have been prepared on the basis of the notes set out below to illustrate the effect of the Combination on the Barratt Group.

The unaudited pro forma statement of net assets of the Combined Group has been prepared based on the unaudited consolidated balance sheet of the Barratt Group as at 31 December 2023 and the unaudited consolidated balance sheet of the Redrow Group as at 31 December 2023 to illustrate the effect on the net assets of the Barratt Group of the Combination as if it had taken place on 31 December 2023.

The unaudited pro forma income statement of the Combined Group for the six months ended 31 December 2023 has been prepared based on the unaudited consolidated income statement of the Barratt Group for the six months ended 31 December 2023 and the unaudited consolidated income statement of the Redrow Group for the 26 weeks ended 31 December 2023 to illustrate the effect on the consolidated income statement of the Barratt Group of the Combination as if it had taken place on 1 July 2023.

The unaudited pro forma financial information set out in this Part A has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and, therefore, does not represent the Barratt Group's, the Redrow Group's or the Combined Group's actual results or financial condition.

The unaudited pro forma financial information does not reflect the effect of anticipated synergies and efficiencies or the related costs of achieving these synergies that may result from the Combination.

The unaudited pro forma financial information has been prepared on a consistent basis with the accounting policies and presentation adopted by the Barratt Group in relation to the audited consolidated financial statements for the year ended 30 June 2023 on the basis of the notes set out below and in accordance with section 3 of Annex 20 to the Prospectus Regulation Rules and item 13.4.1R(6) of the Listing Rules.

The adjustments in the unaudited pro forma financial information are expected to have a continuing impact on the Combined Group, unless stated otherwise.

Furthermore, the unaudited pro forma financial information set out in this Part VI—“*Pro Forma Financial Information for the Combined Group*” does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. Barratt Shareholders should read the whole of this document and not rely solely on the summarised financial information contained in this Part A of Part VI—“*Pro Forma Financial Information for the Combined Group*”.

Unaudited pro forma statement of net assets relating to the Combined Group as at 31 December 2023

	Barratt Group as at 31 December 2023 ¹	Adjustments		Ref	Pro forma of the Combined Group
		Redrow Group as at 31 December 2023 ²	Combination adjustments		
	£m	£m	£m		£m
Non-current assets					
Other intangible assets	189.7	1.0	—		190.7
Goodwill	852.9	—	87.7	3	940.6
Property, plant and equipment	58.2	20.0	—		78.2
Right-of-use assets	44.4	11.0	—		55.4
Investments accounted for using the equity method	144.3	—	—		144.3
Retirement benefit assets	—	5.0	—		5.0
Trade and other receivables	3.0	—	—		3.0
Deferred tax assets	—	1.0	—		1.0
	<u>1,292.5</u>	<u>38.0</u>	<u>87.7</u>		<u>1,418.2</u>
Current assets					
Inventories	5,188.9	2,743.0	—		7,931.9
Trade and other receivables	123.9	30.0	—		153.9
Cash and cash equivalents	949.9	121.0	(118.0)	4	952.9
Current tax assets	27.3	—	—		27.3
	<u>6,290.0</u>	<u>2,894.0</u>	<u>(118.0)</u>		<u>9,066.0</u>
Total assets	7,582.5	2,932.0	(30.3)		10,484.2
Non-current liabilities					
Loans and borrowings	(200.0)	—	—		(200.0)
Trade and other payables	(145.9)	(56.0)	24.5	5	(177.4)
Deferred tax liabilities	(50.4)	(3.0)	—		(53.4)
Lease liabilities	(31.1)	—	—		(31.1)
Provisions for liabilities and charges	(436.6)	(140.0)	—		(576.6)
	<u>(864.0)</u>	<u>(199.0)</u>	<u>24.5</u>		<u>(1,038.5)</u>
Current liabilities					
Loans and borrowings	(0.3)	—	—		(0.3)
Trade and other payables	(887.2)	(657.0)	23.0	5	(1,521.2)
Current tax liabilities	—	(5.0)	—		(5.0)
Lease liabilities	(14.5)	—	—		(14.5)
Provisions for liabilities and charges	(376.9)	(48.0)	—		(424.9)
	<u>(1,278.9)</u>	<u>(710.0)</u>	<u>23.0</u>		<u>(1,965.9)</u>
Total liabilities	(2,142.9)	(909.0)	47.5		(3,004.4)
Net assets	5,439.6	2,023.0	17.2		7,479.8

Notes:

- (1) The Barratt Group financial information as at 31 December 2023 has been extracted, without material adjustment, from the Barratt Group's unaudited condensed consolidated interim financial statements for the six months ended 31 December 2023, which are prepared in accordance with IFRS as adopted by the UK and are incorporated by reference into this Circular as further detailed in paragraph 16 of Part VII—"Additional Information" of this Circular.
- (2) The Redrow Group financial information as at 31 December 2023 has been extracted, without material adjustment, from the Redrow Group's unaudited condensed consolidated interim financial statements for the 26 weeks ended 31 December 2023, which are prepared in accordance with IFRS as adopted by the UK and are incorporated by reference into this Circular as further detailed in paragraph 16 of Part VII—"Additional Information" of this Circular.
- (3) The unaudited pro forma financial information has been prepared on the basis that the Combination will be treated as a business combination in accordance with IFRS 3 Business Combinations. Under IFRS 3, it is necessary to fair value the consideration paid and all the assets and liabilities of the acquired business. The excess of consideration over the book value acquired has been reflected in this unaudited pro forma financial information as goodwill. A fair value exercise to allocate the purchase price will be completed following the Completion of the Combination; therefore, no account has been taken in the unaudited pro forma financial information of any fair value adjustments that may arise on the Combination, or for the value of other intangibles that may be recognised on Completion. Similarly, no pro forma amortisation, or other income statement impact

from the fair valuation of the Redrow Group balance sheet, has been applied. The allocation of the purchase price and fair value adjustments, when finalised post Completion of the Combination, may be material.

The pro forma adjustment to goodwill arising on the Combination has been calculated as follows:

	£ millions
Consideration for Redrow Group shares	2,110.7
Less Redrow Group net assets acquired (at 31 December 2023)	<u>(2,023.0)</u>
Pro forma goodwill adjustment	87.7

Consideration is calculated based on 473,254,090 New Barratt Shares being issued to the Redrow Shareholders multiplied by the share price of the Barratt Shares at the Latest Practicable Date of 446 pence. The number of shares is equal to the total of the Redrow Shares in issue at the Latest Practicable Date, excluding those held by the employee benefit trust that will not be used to satisfy any Redrow Share Plans that will vest on or before Completion of the Combination, multiplied by the agreed share ratio of 1.44.

- (4) The adjustment to cash and cash equivalents comprises an estimated £70.5 million of adviser fees incurred by the Barratt Group and the Redrow Group in respect of the Combination and the repayment of £47.5 million of promissory notes issued by the Redrow Group that are redeemable on change of ownership.
- (5) The adjustments to current and non-current trade and other payables of £23 million and £24.5 million respectively comprise the repayment of promissory notes held by the Redrow Group that are redeemable on change of ownership.
- (6) In preparing the unaudited pro forma statement of net assets, no account has been taken of the trading or transactions of the Barratt Group or the Redrow Group since 31 December 2023.

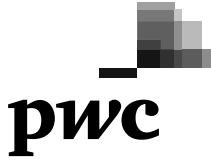
Unaudited pro forma income statement relating to the Combined Group for the six months ended 31 December 2023

	Adjustments			Ref	Pro forma of the Combined Group
	Barratt Group for the six months ended 31 December 2023 ¹	Redrow Group for the 26 weeks ended 31 December 2023 ²	Combination adjustments		
	£m	£m	£m		£m
Revenue	1,850.8	756.0	—		2,606.8
Cost of sales	(1,612.3)	(613.0)	—		(2,225.3)
Gross profit/(loss)	238.5	143.0	—		381.5
Administrative expenses	(140.9)	(57.0)	(70.5)	3	(268.4)
Part-exchange income	132.1	—	—		132.1
Part-exchange expenses	(131.9)	—	—		(131.9)
Profit/(loss) from operations	97.8	86.0	(70.5)		113.3
Finance income	24.0	3.0	—		27.0
Finance costs	(26.6)	(5.0)	—		(31.6)
Net finance (costs)	(2.6)	(2.0)	—		(4.6)
Share of post-tax profit/(loss) from joint ventures	—	—	—		—
Profit/(loss) before tax	95.2	84.0	(70.5)		108.7
Tax	(26.4)	(24.0)	—		(50.4)
Profit/(loss) for the period	68.8	60.0	(70.5)		58.3
Adjusted items for the six months ended 31 December 2023					
(Profit)/loss before tax	95.2	84.0	(70.5)		108.7
Cost associated with legacy properties	62.4	—	—		62.4
Legacy property recoveries	(0.5)	—	—		(0.5)
Reorganisation costs	—	—	70.5	3	70.5
Adjusted profit/(loss) before tax	157.1	84.0	—		241.1

Notes:

- (1) The Barratt Group financial information for the six months ended 31 December 2023 has been extracted, without material adjustment, from the Barratt Group's unaudited condensed consolidated interim financial statements for the six months ended 31 December 2023, which are prepared in accordance with IFRS as adopted by the UK and are incorporated by reference into this Circular as further detailed in paragraph 16 of Part VII—“*Additional Information*” of this Circular.
- (2) The Redrow Group financial information for the 26 weeks ended 31 December 2023 has been extracted, without material adjustment, from the Redrow Group's unaudited condensed consolidated interim financial statements for the 26 weeks ended 31 December 2023, which are prepared in accordance with IFRS as adopted by the UK and are incorporated by reference into this Circular as further detailed in paragraph 16 of Part VII—“*Additional Information*” of this Circular.
- (3) The £70.5 million adjustment to administrative expenses relates to adviser fees relating to the Combination incurred by both the Barratt Group and the Redrow Group. This adjustment will not have a continuing impact on the Combined Group income statement. Adviser fees will be presented as an adjusted item and is therefore deducted in the calculation of adjusted profit before tax.
- (4) In preparing the unaudited pro forma income statement for the six months ended 31 December 2023 no account has been taken of the trading or transactions of the Barratt Group or the Redrow Group since 31 December 2023.

Part B
Accountant's report on the unaudited pro forma financial information
relating to the Combined Group



The directors (the “**Directors**”)
Barratt Developments PLC
Barratt House, Cartwright Way
Forest Business Park
Bardon Hill, Coalville
Leicestershire
LE67 1UF
United Kingdom

UBS Group AG London Branch
5 Broadgate
London
EC2M 2QS
United Kingdom

19 April 2024

Dear Ladies and Gentlemen

Barratt Developments PLC (the “Company”)

We report on the unaudited pro forma financial information (the “**Pro Forma Financial Information**”) set out in Part A of Part VI of the Company’s circular dated 19 April 2024 (the “**Circular**”).

This report is required by item 13.3.3R of the Listing Rules of the Financial Conduct Authority (the “**Listing Rules**”) and is given for the purpose of complying with that item and for no other purpose.

Opinion

In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

Responsibilities

It is the responsibility of the Directors to prepare the Pro Forma Financial Information in accordance with item 13.3.3R of the Listing Rules.

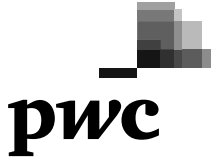
It is our responsibility to form an opinion, as required by item 13.3.3R of the Listing Rules, as to the proper compilation of the Pro Forma Financial Information and to report our opinion to you.

No reports or opinions have been made by us on any financial information of the Company and Redrow plc (“**Redrow**”) used in the compilation of the Pro Forma Financial Information. In providing this opinion we are not providing any assurance on any source financial information of the Company and Redrow on which the Pro Forma Financial Information is based beyond the above opinion.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed which we may have to shareholders of the Company as a result of the inclusion of this report in the Circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 13.4.1R(6) of the Listing Rules, consenting to its inclusion in the Circular.

PricewaterhouseCoopers LLP, 1 Embankment Place, London, WC2N 6RH
T: +44 (0) 2075 835 000, F: +44 (0) 2072 124 652, www.pwc.co.uk

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Basis of preparation

The Pro Forma Financial Information has been prepared on the basis described in the notes to the Pro Forma Financial Information, for illustrative purposes only, to provide information about how the acquisition of Redrow might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial statements for the period ended 30 June 2023.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council (“FRC”) in the United Kingdom. We are independent in accordance with the Revised Ethical Standard 2019 issued by the FRC as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Yours faithfully

PricewaterhouseCoopers LLP
Chartered Accountants

PART VII
ADDITIONAL INFORMATION

1 Responsibility

The Company and the Barratt Directors, whose names are set out in paragraph 3 below, accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Company and the Barratt Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

2 Barratt Developments plc

Barratt Developments plc was incorporated and registered in England and Wales on 14 May 1958 under the Companies Act 1948 as a company limited by shares with registered number 00604574 with the name of Greensitt Bros. (Contractors) Limited. The name of the Company was changed several times—to Greensitt & Barratt Limited (30 April 1965), then to Barratt Developments Limited (1 November 1973). The Company re-registered as a public limited company on 25 November 1981 with the name of Barratt Developments plc. Its legal entity identifier is 2138006R85VEOF5YNK29. The principal law and legislation under which the Company operates is the Companies Act and regulations made thereunder.

The registered office of the Company is Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF, United Kingdom and its telephone number is +44 (0) 1530 278278. The Company's website is www.barrattdevelopments.co.uk. The information on the website does not form part of this Circular unless that information is specifically incorporated by reference into this Circular.

3 Directors of the Company

The Current Barratt Directors and their principal functions are as follows:

<u>Name</u>	<u>Position</u>
Barratt Executive Directors	
David Thomas	Group Chief Executive and Chair of the Sustainability Committee
Steven Boyes	Chief Operating Officer & Deputy Chief Executive
Mike Scott	Chief Financial Officer
Barratt Non-Executive Directors	
Caroline Silver	Non-Executive Chair and Chair of the Nomination Committee
Jock Lennox	Independent Non-Executive Director and Senior Independent Director and Chair of the Audit Committee
Katie Bickerstaffe	Independent Non-Executive Director and Chair of the Remuneration Committee
Jasi Halai	Independent Non-Executive Director
Nigel Webb	Independent Non-Executive Director
Chris Weston	Independent Non-Executive Director and Chair of the Safety, Health and Environment Committee

4 Barratt Senior Managers

The current Barratt Senior Managers and their principal functions are as follows:

<u>Name</u>	<u>Position</u>
Bukky Bird	Group Sustainability Director
Tim Collins	Group Corporate Affairs Director
Sally Austin	Group HR Director
Louise Ruppel	Group General Counsel

5 Barratt Company Secretary

The Group Company Secretary is Tina Bains.

6 Proposed Directors

The Proposed Directors are expected to join the Barratt Directors on the board of the Company immediately following Completion. The Proposed Directors will be Matthew Pratt, who will be appointed as Chief Executive Officer, Redrow and Group Executive Director on Completion, Nicky Dulieu, who will be appointed as Independent Non-Executive Director on Completion, and Geeta Nanda, who will be appointed as Independent Non-Executive Director on Completion.

7 Service contracts and letters of appointment

The letters of appointment between the Barratt Directors and the Company referred to below were entered into after the date of the Barratt Annual Report & Accounts 2023.

The letter for Nigel Webb was entered into in connection with his appointment to the Barratt Board. The letters for Katie Bickerstaffe and Chris Weston were entered into in connection with their re-appointments to the Barratt Board following the end of their initial three-year terms. The letters for the other Non-Executive Directors set out below were entered into to replace their existing letters of appointment with the Company following a change to the Company's standard form of letter of appointment.

	<u>Date appointed director</u>	<u>Date of letter appointment</u>	<u>Notice Period</u>	<u>Unexpired term as at 31 December 2023</u>	<u>Salary/Fee</u>
Caroline Silver . . .	1 June 2023	4 March 2024	3 months	29 months	£364,000 gross per annum
Jock Lennox	1 July 2016	4 March 2024	1 month	18 months	£70,164 gross per annum, plus £17,680 gross per annum for role as senior independent director, plus £17,680 gross per annum for role as chair of the audit and risk committee, plus £3,120 gross per annum for each other committee membership
Katie Bickerstaffe .	1 March 2021	4 March 2024	1 month	38 months	£70,164 gross per annum, plus £17,680 gross per annum for role as chair of the remuneration committee, plus £3,120 gross per annum for each other committee membership
Jasi Halai	1 January 2023	4 March 2024	1 month	24 months	£70,164 gross per annum, plus £3,120 gross per annum for each committee membership
Nigel Webb	1 October 2023	4 September 2023	1 month	33 months	£70,164 gross per annum, plus £3,120 gross per annum for each committee membership
Chris Weston	1 March 2021	4 March 2024	1 month	38 months	£70,164 gross per annum, plus £17,680 gross per annum for role as chair of the safety, health and environment committee, plus £3,120 gross per annum for each other committee membership

The letters of appointment for Geeta Nanda and Nicky Dulieu will offer terms which will follow the Company's standard form of letter of appointment and their remuneration will be in line with the Barratt directors' remuneration policy. Their appointment will be for a term of 36 months and their notice period will be 1 month.

The financial terms on which Matthew Pratt will hold the role of Chief Executive Officer, Redrow, and Group Executive Director are summarised in the Scheme Document.

8 Barratt Directors, Proposed Directors, Barratt Company Secretary and Barratt Senior Managers' interests

8.1 Total interests in Barratt Shares

The total interests of the Current Barratt Directors, the Barratt Company Secretary, the Barratt Senior Managers and the Proposed Directors in Barratt Shares (as at the Latest Practicable Date) are set out in the following table:

	Interests in Barratt Shares as at the Latest Practicable Date	Per cent. of issued ordinary share capital of Barratt as at the Latest Practicable Date	Expected per cent. of Combined Issued Share Capital immediately following Admission
Current Barratt Directors			
Caroline Silver	10,000	0	0
David Thomas	1,163,432	0.1	0.1
Steven Boyes	403,922	0	0
Mike Scott	69,620	0	0
Jock Lennox	10,000	0	0
Katie Bickerstaffe	8,489	0	0
Jasi Halai	12,581	0	0
Nigel Webb	12,660	0	0
Chris Weston	None	N/A	N/A
Barratt Company Secretary			
Tina Bains	61,993	0	0
Barratt Senior Managers			
Bukky Bird	913	0	0
Tim Collins	5,316	0	0
Sally Austin	None	N/A	N/A
Louise Ruppel	None	N/A	N/A
Proposed Directors			
Matthew Pratt	N/A	N/A	N/A
Nicky Dulieu	N/A	N/A	N/A
Geeta Nanda	N/A	N/A	N/A

8.2 Awards granted to the Current Barratt Directors, the Barratt Company Secretary and Barratt Senior Managers

As at the Latest Practicable Date, the Current Barratt Directors, the Barratt Company Secretary and the Barratt Senior Managers had the outstanding awards over Barratt Shares set out in the following table:

Name	Barratt Share Plan	Number of Barratt Shares	Date of grant	Exercise price per Barratt Share	Vesting date
Current Barratt Directors					
Caroline Silver	N/A	N/A	N/A	N/A	N/A
David Thomas	Barratt SAYE	2,434	3 April 2024	£3.81	Between 1 July 2027 and 31 December 2027
	Barratt LTPP	390,914	21 December 2023	N/A	19 October 2026
	Barratt DBP	88,632	12 October 2022	N/A	12 October 2025
	Barratt LTPP	307,746	12 October 2022	N/A	12 October 2025
	Barratt LTPP	224,370	14 October 2021	N/A	14 October 2024
	Barratt DBP	52,138	24 September 2021	N/A	24 September 2024
	Barratt SAYE	2,483	7 April 2021	£6.04	Between 1 July 2026 and 31 December 2026
	Barratt SAYE	2,890	9 April 2019	£5.19	Between 1 July 2024 and 31 December 2024
Steven Boyes	Barratt LTPP	315,329	21 December 2023	N/A	19 October 2026
	Barratt LTPP	248,243	12 October 2022	N/A	12 October 2025
	Barratt LTPP	180,987	14 October 2021	N/A	14 October 2024

<u>Name</u>	<u>Barratt Share Plan</u>	<u>Number of Barratt Shares</u>	<u>Date of grant</u>	<u>Exercise price per Barratt Share</u>	<u>Vesting date</u>
	Barratt SAYE	2,593	12 April 2023	£3.47	Between 1 July 2026 and 31 December 2026
	Barratt SAYE	1,490	7 April 2021	£6.04	Between 1 July 2024 and 31 December 2024
	Barratt DBP	71,495	12 October 2022	N/A	12 October 2025
	Barratt DBP	41,263	24 September 2021	N/A	24 September 2024
Mike Scott	Barratt LTPP	240,563	21 December 2023	N/A	19 October 2026
	Barratt LTPP	189,382	12 October 2022	N/A	12 October 2025
	Barratt LTPP	117,716	14 February 2022	N/A	14 October 2024
	Barratt SAYE	4,128	6 April 2022	£4.36	Between 1 July 2025 and 31 December 2025
Jock Lennox	N/A	N/A	N/A	N/A	N/A
Katie Bickerstaffe	N/A	N/A	N/A	N/A	N/A
Jasi Halai	N/A	N/A	N/A	N/A	N/A
Nigel Webb	N/A	N/A	N/A	N/A	N/A
Chris Weston	N/A	N/A	N/A	N/A	N/A
Barratt Company Secretary					
Tina Bains	Barratt SAYE	1,460	3 April 2024	£3.81	Between 1 July 2027 and 31 December 2027
	Barratt LTPP	60,915	21 December 2023	N/A	19 October 2026
	Barratt SAYE	1,037	12 April 2023	£3.47	Between 1 July 2026 and 31 December 2026
	Barratt SAYE	2,064	6 April 2022	£4.36	Between 1 July 2025 and 31 December 2025
	Barratt LTPP	47,954	12 October 2022	N/A	12 October 2025
	Barratt LTPP	34,626	14 October 2021	N/A	14 October 2024
	Barratt SAYE	894	7 April 2021	£6.04	Between 1 July 2024 and 31 December 2024
Barratt Senior Managers					
Bukky Bird	Barratt LTPP	53,627	12 October 2022	N/A	12 October 2025
	Barratt LTPP	85,150	21 December 2023	N/A	19 October 2026
	Barratt LTPP	7,036	14 October 2021	N/A	14 October 2024
	Barratt DBP	11,610	12 October 2022	N/A	12 October 2025
	Barratt SAYE	5,187	12 April 2023	£3.47	Between 1 July 2026 and 31 December 2026
Tim Collins	Barratt ELTIP	271	15 July 2022	N/A	1 July 2024
	Barratt LTPP	38,305	12 October 2022	N/A	12 October 2025
	Barratt LTPP	65,792	21 December 2023	N/A	19 October 2026
	Barratt LTPP	5,573	14 October 2021	N/A	14 October 2024
	Barratt SAYE	8,645	12 April 2023	£3.47	Between 1 July 2028 and 31 December 2028
Sally Austin	Barratt SAYE	2,434	3 April 2024	£3.81	Between 1 July 2027 and 31 December 2027
Louise Ruppel	N/A	N/A	N/A	N/A	N/A

9 Redrow key individuals

The following individuals are deemed to be key individuals to the Redrow Group:

<u>Name</u>	<u>Position</u>
Matthew Pratt	Group Chief Executive
Barbara Richmond	Group Finance Director

Matthew Pratt will remain with the Combined Group as Chief Executive Officer, Redrow and Group Executive Director.

To support the integration of the Combined Group, Barbara Richmond will join the Combined Group in the role of Redrow Chief Financial Officer and Group Integration and Synergies Director to support the integration for a period of at least 12 months.

10 Working capital

In the opinion of the Company, taking into account the Barratt Notes and the Barratt RCF, the Combined Group has sufficient working capital for its present requirements, that is, for at least the next 12 months from the date of publication of this Circular.

11 Litigation and arbitration proceedings

11.1 Barratt Group

Other than the CMA Investigation (see paragraph 1.5 of Part III—“*Risk Factors*” for more details), during the period covering at least the previous 12 months, there have been and are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had in the recent past, significant effects on the Company’s or the Barratt Group’s financial position or profitability.

11.2 Redrow Group

Other than the CMA Investigation (see paragraph 1.5 of Part III—“*Risk Factors*” for more details), during the period covering at least the previous 12 months, there have been and are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had in the recent past, significant effects on Redrow’s or the Redrow Group’s financial position or profitability.

12 No significant change

12.1 Barratt Group

There has been no significant change in the financial performance or financial position of the Barratt Group since 31 December 2023, being the latest date at which interim financial information for the Barratt Group has been published.

12.2 Redrow Group

There has been no significant change in the financial performance or financial position of the Redrow Group since 31 December 2023, being the latest date at which interim financial information for the Redrow Group has been published.

13 Synergy information

Paragraph 3 of Part II—“*Letter from the Chair*” of this Circular contains statements of estimated cost and savings and synergies arising from the Combination (the “**Quantified Financial Benefits Statement**”). The Quantified Financial Benefits Statement is set out in full at Appendix I—“*Quantified Financial Benefits Statement*” of this Circular.

13.1 Bases of calculation of the Quantified Financial Benefits Statement

In preparing the Quantified Financial Benefits Statement, Redrow has provided Barratt with certain operating and financial information to facilitate a detailed analysis in support of evaluating the potential synergies available from the Combination. In circumstances where data has been limited for commercial, regulatory or other reasons, Barratt management has made estimates and assumptions to aid its development of individual synergy initiatives. The assessment and quantification of the potential synergies have, in turn, been informed by the Barratt management’s industry experience and knowledge of the existing businesses, together with close consultation with Redrow.

The cost base used as the basis for the quantified exercise is:

- relating to non-staff costs:
 - financial information for the year ended 30 June 2023 for the Barratt Group and the 52 weeks ended 2 July 2023 for the Redrow Group; and

- procurement-related savings have been quantified based on combined build costs for the year ended 30 June 2023 for the Barratt Group and the 52 weeks ended 2 July 2023 for the Redrow Group, scaled down by c.20 per cent. to reflect expected combined completion volumes for the year ended 30 June 2024 (Barratt Group) and the 52 weeks ended 30 June 2024 (Redrow Group); and
- relating to staff costs, the latest available headcount and associated annualised direct per-head costs for both the Barratt Group and the Redrow Group.

For the potential synergies arising from the combination of group functions, organisation information was reviewed.

The assessment and quantification of such potential synergies have in turn been informed by Barratt management's industry experience as well as their experience of executing and integrating past acquisitions.

Cost-saving assumptions were based on a detailed, bottom-up evaluation of the benefits available from elimination of duplicate activities, the leverage of combined scale economics and operational efficiencies arising from consolidation of procurement and activities within operational facilities. In determining the estimate of costs savings achievable through the combination of Barratt and Redrow, no savings relating to operations have been included where no overlap exists.

In general, the synergy assumptions have in turn been risk-adjusted, exercising a degree of prudence in the calculation of the estimated synergy benefit set out above.

Where appropriate, assumptions were used to estimate the costs of implementing the new structures, systems and processes required to realise the synergies. In particular, the Barratt Directors have made the following assumptions, which are outside the influence of Barratt:

- there will be no material impact on the underlying operations of either the Barratt Group or the Redrow Group as a result of the Combination or their ability to continue to conduct their businesses;
- there will be no material divestments from the Redrow Group;
- there will be no material change to macroeconomic, political, inflationary, regulatory or legal conditions in the markets or regions in which the Barratt Group and the Redrow Group operate that will materially impact on the implementation of the synergy plans or costs to achieve the proposed cost savings;
- there will be no material change in current foreign exchange rates or interest rates;
- there will be no material change in accounting standards; and
- there will be no change in tax legislation or tax rates or other legislation in the United Kingdom that could materially impact the ability to achieve any benefits.

In addition, the Barratt Directors have made an assumption within the influence of Barratt that there will be no material divestments from the Barratt Group.

In addition, the Barratt Directors have assumed that the cost synergies are substantively within Barratt's control, albeit that certain elements are dependent in part on negotiations with third parties.

13.2 Important Notes

The statements of estimated pre-tax synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost synergies referred to may not be achieved, or those achieved could be materially different from those estimated.

No statement in the Quantified Financial Benefits Statement, or this Circular generally, should be construed as a profit forecast or interpreted to mean that Barratt's earnings in the full first year following the Combination, or in any subsequent period, would necessarily match or be greater than or be less than those of Barratt and/or Redrow for the relevant preceding financial period or any other period.

Due to the scale of the Combined Group, there may be additional changes to the Combined Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost savings may be materially greater or less than those estimated.

14 Consents

- 14.1** UBS, which has acted as sponsor and lead financial adviser to Barratt and whose registered office is at 5 Broadgate, London EC2M 2QS, has given and not withdrawn its written consent to the inclusion of its name in this Circular in the form and context in which it is included.
- 14.2** Morgan Stanley, which has acted as financial adviser to Barratt and whose registered office is at 25 Cabot Square, Canary Wharf, London E14 4QA, has given and not withdrawn its written consent to the inclusion of its name in this Circular in the form and context in which it is included.
- 14.3** PricewaterhouseCoopers, a member firm of the Institute of Chartered Accountants in England and Wales, which has acted as reporting accountant to Barratt and whose registered office is at 1 Embankment Place, London WC2N 6RH, has given and has not withdrawn its written consent to the inclusion of its report on the unaudited Pro Forma Financial Information set out in Part B of Part VI—“*Pro Forma Financial Information for the Combined Group*” of this Circular, in the form and context in which it is included.

15 Documents available for inspection

Copies of the following documents may be inspected on the Company’s website (www.barrattdevelopments.co.uk) and also during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company at Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF, United Kingdom, up to and including the date of the Barratt General Meeting:

- 15.1** the Prospectus;
- 15.2** this Circular;
- 15.3** the Scheme Document;
- 15.4** the 2.7 Announcement;
- 15.5** the Barratt Articles of Association;
- 15.6** the consent letters referred to in paragraph 14 above;
- 15.7** the report from PricewaterhouseCoopers set out in Part B of Part VI—“*Pro Forma Financial Information for the Combined Group*” of this Circular; and
- 15.8** the documents incorporated by reference into this Circular.

16 Incorporation by reference

The table below sets out the documents of which certain parts are incorporated by reference into, and form part of, this Circular, and only the parts of the documents identified in the table below are incorporated into, and form part of, this Circular. The parts of these documents which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this Circular. Where the information described below itself incorporates further information by reference to another document, that further information is not intended to form part of this Circular for any purpose.

The Prospectus has been published by Barratt and can be viewed on its website (www.barrattdevelopments.co.uk). The Prospectus contains information regarding, among other things, the reasons for the Combination, further details concerning Barratt and Redrow, historical financial information of Barratt, the Barratt Directors and the New Barratt Shares.

<u>Information incorporated by reference</u>	<u>Sections of the Prospectus incorporated by reference</u>	<u>Prospectus page number(s)</u>
Information on Barratt		
Financial information of the Barratt Group (incorporates information incorporated by reference to other documents) . . .	Part IX	84 – 87
Major shareholders	Paragraph 8, Part XIV	130 – 131
Related party transactions	Paragraph 12, Part XIV	135 – 136
Material contracts	Paragraph 10, Part XIV	131 – 134
Reconciliation of APMs and non-IFRS measures (incorporates information incorporated by reference to other documents) . . .	Paragraph titled “ <i>Alternative performance measures and non-IFRS measures</i> ”, Part II	43 – 44
Information on Redrow		
Financial information of the Redrow Group	Part X and Appendix II	88, 156
Material contracts	Paragraph 11, Part XIV	134 – 135
Reconciliation of APMs and non-IFRS measures	Paragraph titled “ <i>Alternative performance measures and non-IFRS measures</i> ”, Part II and Appendix II	43 – 44

PART VIII
DEFINITIONS AND GLOSSARY

The following definitions apply throughout this Circular, unless stated otherwise:

“2.7 Announcement”	the joint announcement dated 7 February 2024 made by Redrow and Barratt which confirmed that they had reached an agreement on the terms of a recommended all-share offer for the combination of Barratt and Redrow pursuant to which Barratt will acquire the entire issued and to be issued ordinary share capital of Redrow to form the Combined Group;
“Admission”	admission of the New Barratt Shares to the premium listing segment of the Official List (or, if there is no premium listing segment, the same listing segment as the Existing Shares are trading on) and to trading on the Main Market;
“Banks”	UBS and Morgan Stanley;
“Barratt” or “Company”	Barratt Developments plc, a public limited company incorporated in England and Wales with registered number 00604574, whose registered office is Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF, United Kingdom;
“Barratt Additional Permitted Dividend”	has the meaning given to it in paragraph 9 of Part II—“ <i>Letter from the Chair</i> ”;
“Barratt Annual Report & Accounts 2023”	the annual report and accounts of the Barratt Group and its subsidiaries for the year ended 30 June 2023;
“Barratt Articles of Association”	the articles of association of Barratt;
“Barratt Board” or “Barratt Directors”	the directors of Barratt as at the date of this Circular or, where the context so requires, the directors of Barratt from time to time;
“Barratt Company Secretary”	the Group Company Secretary of Barratt, whose name appears in paragraph 5 of Part VII—“ <i>Additional Information</i> ” of this Circular as the Barratt Group Company Secretary;
“Barratt DBP”	the Barratt Deferred Bonus Plan 2023 and the Barratt Deferred Bonus Plan 2017 (as applicable);
“Barratt ELTIP”	the Barratt Employee Long-Term Incentive Plan;
“Barratt Equalising Dividend”	has the meaning given to it in paragraph 9 of Part II—“ <i>Letter from the Chair</i> ”;
“Barratt Executive Directors”	the executive directors of the Company as at the date of this Circular whose names appear in paragraph 3 of Part VII—“ <i>Additional Information</i> ” of this Circular as Current Barratt Directors;
“Barratt General Meeting”	the general meeting of the Company to be held at the Seligman Theatre, Royal College of Physicians, 11 Saint Andrew’s Place, London, NW1 4LE at 10.00 a.m. on 15 May 2024 (including any adjournment thereof), to be convened for the purpose of considering, and if thought fit approving, the Barratt Resolution, notice of which is set out at Part IX—“ <i>Notice of Barratt General Meeting</i> ” of this Circular;
“Barratt Group”	the Company and its subsidiary undertakings from time to time and, where the context permits, each of them;
“Barratt Half Year Report 2024”	the unaudited consolidated financial statements of the Barratt Group for the six months ended 31 December 2023;
“Barratt Interim Dividend”	has the meaning given to it in paragraph 9 of Part II—“ <i>Letter from the Chair</i> ”;
“Barratt LTPP”	the Barratt Performance Share Plan 2023 and the Barratt Long-Term Performance Plan 2017 (as applicable);

“Barratt Non-Executive Directors”	the non-executive directors of the Company as at the date of this Circular whose names appear in paragraph 3 of Part VII—“ <i>Additional Information</i> ” of this Circular as Current Barratt Directors;
“Barratt Notes”	the £200 million 2.77 per cent. senior notes due 22 August 2027 issued by Barratt pursuant to a note purchase agreement dated 22 August 2017;
“Barratt RCF”	the £700 million revolving credit facility available for drawing by Barratt and BDW Trading Limited (and any future additional borrower that may accede, subject, where applicable, to lender approval) pursuant to the Barratt RCF Agreement;
“Barratt RCF Agreement”	the amended and restated £700 million revolving credit agreement dated 18 November 2022 between (among others) Barratt as an original borrower and an original guarantor, BDW Trading Limited as an original borrower and an original guarantor, Barclays Bank plc, Lloyds Bank plc, The Royal Bank of Scotland plc and Banco Santander S.A., London Branch as mandated lead arrangers and Lloyds Bank plc as agent;
“Barratt Resolution”	the ordinary shareholder resolution of Barratt necessary to approve, effect and implement the Combination including the resolution to: (i) approve the Combination as a “Class 1 transaction” under the Listing Rules; and (ii) grant authority to the Barratt Directors to allot the New Barratt Shares (and any amendment(s) thereof);
“Barratt SAYE”	the Barratt Savings-Related Share Option Scheme 2018;
“Barratt Senior Managers”	the senior managers of Barratt, other than the Barratt Directors, whose names appear in paragraph 4 of Part VII—“ <i>Additional Information</i> ” of this Circular as the Barratt Senior Managers;
“Barratt Shareholders”	the holders of the Barratt Shares;
“Barratt Shares” or “Shares”	the allotted and issued ordinary shares of 10 pence each in the capital of the Company having the rights set out in the Barratt Articles of Association;
“Building Safety Regulator”	the building control authority for higher-risk buildings in England, established under The Building Safety Act 2022 to regulate high-rise residential buildings with at least seven floors or 18 metres in height and at least two residential units;
“Business Day”	a day (other than Saturdays, Sundays and public holidays in the UK) on which banks are open for business in London;
“certificated” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST);
“Chair”	the chair of the Company;
“Circular” or “this Circular”	This Circular approved by the FCA and published on 19 April 2024 as a circular prepared in accordance with the Listing Rules;
“Closing Price”	the closing middle market price of a Redrow Share or a Barratt Share (as relevant) on a particular trading day as derived from the Daily Official List;
“CMA”	the Competition and Markets Authority, a UK statutory body established under the Enterprise and Regulatory Reform Act 2013;
“CMA Clearance”	the approval, consent, clearance, or confirmation from the CMA, as is necessary and/or expedient to satisfy the following conditions: (i) as at the date on which all other Conditions are satisfied or waived in relation to the Combination, the CMA has not: (a) requested submission of a merger notice under section 96 of the Enterprise Act 2002 (the “EA”); or (b) indicated to either party that it intends, or is considering whether, to commence a Phase I investigation; or (c) indicated that the statutory review period in which the CMA has to decide whether to make a reference under section 34ZA of the EA has begun; or (d) requested documents, information, or attendance by witnesses

(including under section 109 of the EA) which may indicate that it is considering whether to request submission of a merger notice or whether to commence the aforementioned statutory review period; or (ii) the CMA issues a decision in terms reasonably satisfactory to Barratt that it is not the CMA's intention to subject the Combination or any matter arising therefrom or related thereto or any part of it to a Phase 2 CMA Reference, such decision being either unconditional or conditional on the CMA's acceptance of undertakings in lieu under Section 73 of the EA which are reasonably satisfactory to Barratt (or the applicable time period for the CMA to issue either decision having expired without it having done so and without it having made a Phase 2 CMA Reference); or (iii) in the event that a Phase 2 CMA Reference is made, confirmation from the CMA either: (a) that the Combination may proceed without any undertakings or conditions; or (b) that the Combination and any matter arising therefrom or relating thereto may proceed on terms reasonably satisfactory to Barratt;

“CMA Investigation”	has the meaning given to it in paragraph 1.5 of Part III—“ <i>Risk Factors</i> ”;
“Combination”	the proposed all-share offer for the combination of Barratt and Redrow pursuant to which Barratt will acquire the entire issued and to be issued ordinary share capital of Redrow, to be effected by means of the Scheme or, should Barratt so elect, and subject to the consent of the Panel and the terms of the Co-operation Agreement, by means of a Takeover Offer and, where the context permits, any subsequent reversion, variation, extension or renewal thereof;
“Combined Group”	the combined Barratt Group and Redrow Group following Completion;
“Combined Issued Share Capital”	the number of Barratt Shares in issue immediately following Completion;
“Companies Act”	the UK Companies Act 2006, as amended from time to time;
“Company” or “Barratt”	Barratt Developments plc, a public limited company incorporated in England and Wales with registered number 00604574, whose registered office is Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF, United Kingdom;
“Completion”	the date on which either: (i) the Scheme becomes effective pursuant to its terms; or (ii) if the Combination is implemented by way of a Takeover Offer, such takeover offer having been declared and become unconditional in all respects;
“Conditions”	the conditions to the implementation of the Combination, as detailed in this Circular and set out in the Scheme Document;
“Co-operation Agreement”	the agreement dated 7 February 2024 between Barratt and Redrow relating to, amongst other things, the implementation of the Combination (as amended from time to time);
“Court”	the High Court of Justice in England and Wales;
“Court Hearing”	the hearing by the Court of the application to sanction the Scheme under Part 26 of the Companies Act, and any adjournment, postponement or reconvening thereof;
“Court Order”	the order of the Court sanctioning the Scheme;
“CREST”	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & Ireland International Limited;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended;
“Current Barratt Directors”	the directors whose names appear in paragraph 3 of Part VII—“ <i>Additional Information</i> ” of this Circular as Current Barratt Directors;

“Deloitte”	Deloitte LLP;
“Disclosure Guidance and Transparency Rules”	the disclosure guidance and transparency rules made by the FCA under Part VI of the FSMA, as amended;
“ESG”	environmental, social and governance;
“EU”	the European Union;
“EUWA”	the European Union (Withdrawal) Act 2018, as amended;
“Exchange Act”	the United States Exchange Act of 1934, as amended;
“Exchange Ratio”	1.44 New Barratt Shares for every 1 Redrow Share and, where the terms of the Combination allow, any subsequent adjustment thereof;
“Existing Barratt Shareholders”	the holders of Existing Shares;
“Existing Shares”	the existing Barratt Shares in issue immediately preceding the issue of the New Barratt Shares;
“FCA” or “Financial Conduct Authority”	the UK Financial Conduct Authority or its successor from time to time;
“Form of Proxy”	the forms of proxy in connection with each of the Redrow Court Meeting and the Redrow General Meeting, which will accompany the Scheme Document and/or the forms of proxy in connection with the Barratt General Meeting, accompanying this Circular, as applicable;
“FSMA”	the Financial Services and Markets Act 2000, as amended;
“FY2022”	for Barratt, the financial year ended 30 June 2022;
“FY2023”	for Barratt, the financial year ended 30 June 2023;
“FY2024”	(i) for Barratt, the financial year ended 30 June 2024; and (ii) for Redrow, the 52 weeks ended 30 June 2024;
“HBF”	the Home Builders Federation;
“Homes England”	Homes England, the non-departmental public body that funds new affordable housing in England;
“HSE”	health, safety and environment;
“HY2022”	for Barratt, the six months ended 31 December 2022;
“HY2023”	for Redrow, the 26 weeks ended 31 December 2023;
“IFRS UK”	the International Financial Reporting Standards, as adopted by the UK and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards, as amended from time to time;
“ISIN”	the International Securities Identification Number;
“KPMG”	KPMG LLP;
“Latest Practicable Date”	17 April 2024, being the latest practicable date before publication of this Circular;
“Listing Rules”	the rules and regulations made by the Financial Conduct Authority under the FSMA, and contained in the publication of the same name, as amended from time to time;
“London Stock Exchange”	London Stock Exchange plc or its successor;
“Longstop Date”	7 February 2025 or, in the event of a Phase 2 CMA Reference, 7 August 2025 (or, in either case, such later date as may be agreed in writing by Barratt and Redrow (with the Panel’s consent and as the Court may approve (if such approval(s) are required)));
“Main Market”	the main market of the London Stock Exchange;

“Market Abuse Regulation”	Regulation (EU) No 596/2014 and the delegated acts, implementing acts, technical standards and guidelines thereunder as it forms part of assimilated law as defined in the EUWA;
“Morgan Stanley”	Morgan Stanley & Co International plc;
“New Barratt Shares”	the new Barratt Shares proposed to be issued and allotted to Scheme Shareholders pursuant to the Scheme and in connection with the Combination or in consideration for the transfer to Barratt of Redrow Shares pursuant to the Redrow Articles of Association, as amended by the Special Resolution;
“nominated persons”	persons who have been nominated to receive communications from the Company in accordance with section 146 of the Companies Act;
“Notice of Barratt General Meeting”	the notice set out at Part IX—“ <i>Notice of Barratt General Meeting</i> ” of this Circular giving Barratt Shareholders notice of the Barratt General Meeting;
“Official List”	the official list maintained by the FCA;
“Overseas Shareholders”	the Barratt Shareholders (or nominees of, or custodians or trustees for Barratt Shareholders) not resident in, or nationals or citizens of, the UK;
“Panel”	the UK Panel on Takeovers and Mergers;
“Phase 2 CMA Reference”	a reference of the Combination under section 33 of the Enterprise Act 2002 to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013;
“PricewaterhouseCoopers”	PricewaterhouseCoopers LLP;
“Pro Forma Financial Information”	the unaudited pro forma financial information of the Combined Group;
“Proposed Directors”	the directors whose names appear in paragraph 6 of Part VII—“ <i>Additional Information</i> ” of this Circular as Proposed Directors who will join the Barratt Directors on the board of the Company from Completion;
“Prospectus”	the prospectus prepared by the Company in relation to the New Barratt Shares for the purposes of the Admission, and in accordance with the Prospectus Regulation Rules;
“Prospectus Regulation Rules”	the prospectus regulation rules published by the FCA under part VI of the FSMA, as amended;
“Quantified Financial Benefits Statement”	the statements of estimated cost savings and synergies arising out of the Combination set out in Appendix I—“ <i>Quantified Financial Benefits Statement</i> ” of this Circular;
“Redrow”	Redrow plc, a public limited company incorporated in England and Wales with registered number 02877315, whose registered office is at Redrow House, St Davids Park, Flintshire, CH5 3RX, United Kingdom;
“Redrow 2023 LTIP Awards”	awards granted on 19 September 2023 under the Redrow LTIP;
“Redrow 2024 LTIP Awards”	awards granted for the financial year beginning on 1 July 2024 on or around September 2024 under the Redrow LTIP;
“Redrow Additional Permitted Dividend”	has the meaning given to it in paragraph 9 of Part II—“ <i>Letter from the Chair</i> ”;
“Redrow Annual Report & Accounts 2021”	the annual report and accounts of the Redrow Group for the 52 weeks ended 27 June 2021;
“Redrow Annual Report & Accounts 2022”	the annual report and accounts of the Redrow Group for the 53 weeks ended 3 July 2022;
“Redrow Annual Report & Accounts 2023”	the annual report and accounts of the Redrow Group for the 52 weeks ended 2 July 2023;

“Redrow Articles of Association”	the current articles of association of Redrow or, where the context so requires, the articles of association of Redrow from time to time;
“Redrow Board” or “Redrow Directors”	the board of directors of Redrow at the time of this Circular or, where the context so requires, the directors of Redrow from time to time;
“Redrow Court Meeting”	the meeting of Redrow Shareholders to be convened pursuant to an order of the Court under the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment), including any adjournment thereof, notice of which is contained in the Scheme Document;
“Redrow DBP”	the Redrow Deferred Bonus Plan 2022, as amended from time to time;
“Redrow Equalising Dividend”	has the meaning given to it in paragraph 9 of Part II— <i>“Letter from the Chair”</i> ;
“Redrow General Meeting”	the general meeting of Redrow Shareholders (including any adjournment thereof) to be convened in connection with the Scheme, notice of which is included in the Scheme Document;
“Redrow Group”	Redrow and its subsidiary undertakings from time to time and, where the context permits, each of them;
“Redrow Half Year Report 2024”	the unaudited consolidated financial statements of the Redrow Group for the 26 weeks ended 31 December 2023;
“Redrow Interim Dividend”	has the meaning given to it in paragraph 9 of Part II— <i>“Letter from the Chair”</i> ;
“Redrow LTIP”	the Redrow 2014 Long Term Incentive Plan, as amended from time to time;
“Redrow Profit Forecast”	has the meaning given to it in paragraph 6.1.1 of Part II— <i>“Letter from the Chair”</i> of this Circular;
“Redrow SAYE”	the Redrow Sharesave Plan;
“Redrow Shareholders”	the holders of Redrow Shares;
“Redrow Share Plans”	the Redrow LTIP, the Redrow DBP and the Redrow SAYE, each as amended from time to time;
“Redrow Shares”	the existing unconditionally allotted or issued and fully paid ordinary shares of 10.5 pence each in the capital of Redrow and any further such ordinary shares which are unconditionally allotted or issued before the Scheme becomes effective;
“Registrar” or “Equiniti”	Equiniti Group, registrars to the Company, with registered address at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA;
“Registrar of Companies”	the Registrar of Companies in England and Wales;
“Regulatory Information Service”	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements;
“Scheme”	the proposed scheme of arrangement under Part 26 of the Companies Act between Redrow and Redrow Shareholders in connection with the Combination, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Redrow and Barratt;
“Scheme Document”	the document dated 19 April 2024 addressed to Redrow Shareholders containing, amongst other things, the Scheme and the notices convening the Redrow Court Meeting and the Redrow General Meeting;
“Scheme Effective Date”	the time and date at which the Scheme becomes effective in accordance with its terms;
“Scheme Record Time”	the time and date specified as such in the Scheme Document;
“Scheme Shareholders”	the holders of Scheme Shares at any relevant date or times and a “Scheme Shareholder” shall mean any one of those Scheme Shareholders;

“Scheme Shares”	<p>the Redrow Shares:</p> <ol style="list-style-type: none"> (1) in issue at the date of the Scheme Document; (2) (if any) issued after the date of the Scheme Document and prior to the Scheme Voting Record Time; and (3) (if any) issued at, or after, the Scheme Voting Record Time but before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme, <p>in each case (where the context requires), which remain in issue at the Scheme Record Time but excluding any Redrow Shares held in treasury and any Redrow Shares beneficially owned by Barratt or any other member of the Barratt Group;</p>
“Scheme Voting Record Time”	<p>the voting record time and date specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined, expected to be 6.00 p.m. on 13 May 2024 or if the Redrow Court Meeting is adjourned, 6.00 p.m. on the day which is two Business Days before such adjourned meeting;</p>
“Securities Act”	<p>the US Securities Act of 1933;</p>
“Special Resolution”	<p>the special resolution to be proposed at the Redrow General Meeting necessary to facilitate the implementation of the Scheme, including, without limitation, the amendment of the Redrow Articles of Association by the adoption and inclusion of a new article under which any Redrow Shares issued or transferred after the Scheme Record Time (other than to Barratt and/or its nominee(s)) shall be automatically transferred to Barratt (or as it may direct) (and, where applicable, for consideration to be paid to the transferee or to the original recipient of the Redrow Shares so transferred or issued) on the same terms as the Combination (other than terms as to timings and formalities) and as set out in full in the Scheme Document;</p>
“Takeover Code” or “Code”	<p>the City Code on Takeovers and Mergers;</p>
“Takeover Offer”	<p>should the Combination be implemented by way of a Takeover Offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of Barratt to acquire the entire issued and to be issued ordinary share capital of Redrow and, where the terms of the Combination permit, any subsequent revision, variation, extension or renewal of such takeover offer;</p>
“UBS” or “Sponsor”	<p>UBS AG London Branch;</p>
“uncertificated” or “in uncertificated form”	<p>recorded on the register of members as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;</p>
“United Kingdom” or “UK”	<p>the United Kingdom of Great Britain and Northern Ireland;</p>
“United States” or “US”	<p>the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction and any political sub-division thereof; and</p>
“Voting Record Time”	<p>(i) for the Barratt General Meeting, 6.30 p.m. on 13 May 2024, or, if the Barratt General Meeting is adjourned, 6.30 p.m. on the day which is two Business Days before the date of such adjourned meeting; and (ii) for the Redrow General Meeting, 6.00 p.m. on 13 May 2024, or, if the Redrow General Meeting is adjourned, 6.00 p.m. on the day which is two Business Days before the date of such adjourned meeting.</p>

All times referred to are London times.

All references to legislation in this Circular are to the legislation of England and Wales unless otherwise stated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

PART IX
NOTICE OF BARRATT GENERAL MEETING

NOTICE OF GENERAL MEETING OF BARRATT DEVELOPMENTS plc
(registered in England with registered number 00604574)

NOTICE IS HEREBY GIVEN that a **GENERAL MEETING** of Barratt Developments plc (the “**Company**”) will be held at the Seligman Theatre, Royal College of Physicians, 11 Saint Andrew’s Place, London, NW1 4LE, on 15 May 2024 at 10.00 a.m. (or any adjournment thereof) for the purposes of considering and, if thought fit, passing the following resolution which will be proposed as an ordinary resolution.

Ordinary resolution

Resolution 1 (Ordinary Resolution)—Approval of Combination and authority to allot the New Barratt Shares THAT:

- (A) the recommended all-share combination of the Company and Redrow plc (“**Redrow**”) pursuant to which the Company will acquire the entire issued and to be issued ordinary share capital of Redrow (the “**Combination**”, which is a “Class 1 transaction” under the Listing Rules), substantially on the terms and subject to the conditions set out in:
- (i) the circular to shareholders of the Company dated 19 April 2024 outlining the Combination (the “**Circular**”); and
 - (ii) the prospectus published by the Company dated 19 April 2024 in connection with the admission to trading on the main market of the London Stock Exchange plc of the New Barratt Shares (as defined below) (“**Admission**”),

be and is hereby approved and the directors of the Company (the “**Directors**”) (or a duly authorised committee of the Directors) be and are hereby authorised to waive, amend, vary or extend any of the terms and conditions of the Combination (provided that any such waivers, amendments, variations or extensions do not materially change the terms of the Combination under Listing Rule 10.5.2R) and any documents and arrangements relating thereto and to do all such things as they may consider, in their absolute discretion, to be necessary or desirable to implement and give effect to, or otherwise in connection with, the Combination and any matters incidental to the Combination; and

- (B) the Directors be and hereby are generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 (in addition, to the extent not utilised, pursuant to the authority conferred upon the Directors of the Company by Article 9 of the Company’s articles of association and approved by the shareholders of the Company at the Company’s annual general meeting held on 18 October 2023, which remains in full force and effect and without prejudice to the continuing authority of the Directors to allot equity securities pursuant to an offer or agreement made by the Company before the expiry of the authority pursuant to which any such offer or agreement was made) to exercise all the powers of the Company to allot ordinary shares of 10 pence each in the capital of the Company (the “**New Barratt Shares**”) and grant rights to subscribe for or to convert any security into New Barratt Shares for the purposes of issuing the New Barratt Shares pursuant to the Combination in an aggregate nominal amount of up to £47,630,915.30 (representing 48.9 per cent. of the issued ordinary share capital of the Company as at 17 April 2024, being the latest practicable date before publication of this Notice (the “**Latest Practicable Date**”) and approximately 32.8 per cent. of the expected issued ordinary share capital of the Company immediately after Admission) in each case credited as fully paid, with authority to deal with fractional entitlements arising out of such allotment as they think fit and take all such other steps as they may in their absolute discretion deem necessary or desirable to implement such allotments in connection with the Combination, such authority to expire (unless previously renewed, varied or revoked by the Company in a general meeting) at the conclusion of the annual general meeting of the Company to be held in 2025, save that the Company may before such expiry make offers and enter into agreements in connection with the Combination which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted, after the expiry of this authority, and the Directors may allot shares and grant rights in pursuance of such offers or agreements as if this authority had not expired.

By order of the Board

Tina Bains
Company Secretary

19 April 2024

Registered office

Barratt House
Cartwright Way
Forest Business Park
Bardon Hill
Coalville
Leicestershire
LE67 1UF
United Kingdom

(incorporated and registered in England and Wales under number 00604574)

Notes

Attendance at the Meeting

- 1 If members wish to attend the Barratt General Meeting in person, they are requested to bring the attendance card accompanying this Notice. This will authenticate each member's right to attend, speak and vote at the Barratt General Meeting and enable the Company to register each member's attendance. Mobile phones must be switched off during the Barratt General Meeting, and cameras and recording equipment are not allowed in the Barratt General Meeting
- 2 For those who are unable to attend in person, a live webcast of the meeting will be available to allow you to follow the business of the Barratt General Meeting virtually. Please note that joining the webcast will not constitute formal attendance at the Barratt General Meeting. Members joining via webcast will therefore not be permitted to speak or vote on the business of the Barratt General Meeting, but members will be able to send questions relating to the business of the Barratt General Meeting via the webcast.

Proxy appointment

- 3 A member is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend, speak and vote at the Barratt General Meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the Barratt General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy please follow the notes contained in the Form of Proxy.
- 4 A Form of Proxy is enclosed. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person.
- 5 Members can appoint their proxy via the internet by accessing the Equiniti website www.sharevote.co.uk where full instructions are given. The Voting ID, Task ID and Shareholder Reference Number printed on their Form of Proxy will be required to access the electronic proxy appointment service. Alternatively, shareholders that have already registered with Equiniti's portfolio service, Shareview, can appoint their proxy electronically by logging onto their portfolio at www.shareview.co.uk using their usual user ID and password. Once logged in click on 'View' on the 'My Investments' page and then 'Vote'. The on-screen instructions give details on how to complete the proxy appointment process. To be valid, any proxy submitted must be received by Equiniti no later than 10.00 a.m. on 13 May 2024 (or, if adjourned, not later than 48 hours before the time appointed for the adjourned meeting, excluding any part of a day that is a non-working day).
- 6 If you hold your shares through the Corporate Sponsored Nominee ("CSN") you will have been instructed to vote your shares via www.sharevote.co.uk. Please note the deadline for submitting your votes is 10.00 a.m. on 10 May 2024 (or, if adjourned, not later than 72 hours before the time appointed for the adjourned meeting, excluding any part of a day that is a non-working day).
- 7 A Form of Proxy which may be used to appoint a proxy and give proxy instructions accompanies this Notice. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact the Company's Registrar, Equiniti, on +44 371 384 2657. If calling from outside the UK, please ensure the country code is used. (Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. Lines are open 8.30 a.m. to 5.30 p.m. Monday to Friday (excluding public holidays in England and Wales).) To be valid, the Form of Proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be received by Equiniti at Aspect House,

Spencer Road, Lancing, West Sussex, BN99 6DA, before 10.00 a.m. on 13 May 2024 (or, if adjourned, not later than 48 hours before the time appointed for the adjourned meeting, excluding any part of a day that is a non-working day).

- 8 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s (“EUI”) specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID RA19) by 10.00 a.m. on 13 May (or, if adjourned, not later than 48 hours before the time appointed for the adjourned meeting, excluding any part of a day that is a non-working day). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors, or voting service provider(s), should note that EUI does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In connection with this, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
- 9 Institutional investors may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. Further information regarding Proxymity can be found on www.proxymity.io. Proxies must be lodged by 10.00 a.m. on 13 May 2024 (or, if adjourned, not later than 48 hours before the time appointed for the adjourned meeting, excluding any part of a day that is a non-working day) in order to be considered valid. Before appointing a proxy via this process, investors will need to have agreed to Proxymity’s associated terms and conditions. It is important to read these carefully as investors will be bound by them and they will govern the electronic appointment of proxies.
- 10 A Form of Proxy sent electronically that is found to contain any virus will not be accepted.

Nominated persons

- 11 The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Companies Act (“**nominated persons**”). Nominated persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

Corporate representatives

- 12 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Information about shares and voting

- 13** Holders of ordinary shares are entitled to attend and vote at general meetings of the Company. The total number of issued ordinary shares in the Company on the Latest Practicable Date, is 974,592,261 (excluding treasury shares), carrying one vote each on a poll. Therefore, the total number of votes exercisable as at the Latest Practicable Date is 974,592,261.
- 14** As soon as practicable following the Barratt General Meeting, the results of the voting will be announced via a Regulatory Information Service and also placed on the Company's website.
- 15** As at 17 April 2024, being the Latest Practicable Date, the Company had no shares in treasury.

Right to attend and vote

- 16** Entitlement to attend and vote at the meeting, and the number of votes which may be cast at the meeting, will be determined by reference to the Company's register of members at 6.30 p.m. on 13 May 2024 or, if the meeting is adjourned, 6.30 p.m. on the day which is two Business Days before the time fixed for the adjourned meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded.

Voting by poll

- 17** The resolution to be put to the Barratt General Meeting (or any adjournment thereof) will be voted on by poll and not by show of hands. A poll reflects the number of voting rights exercisable by each member and so the Barratt Board considers it more representative of member voting intentions. Members and proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the Barratt General Meeting (or any adjournment thereof).

Votes withheld

- 18** A 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.

Joint holders

- 19** In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of the holders stand in the Company's register of members (the first-named being the most senior).

Questions

- 20** Any member attending the meeting has the right to ask questions.
- 21** The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on the Company's website in the form of an answer to a question or (c) it is undesirable in the interests of the Company or good order of the meeting that the question be answered.
- 22** Questions may be asked in advance of the meeting by email to Agmquestions@barrattplc.co.uk or by post to the Barratt Group Company Secretary at Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF, United Kingdom. Any questions received by email or post before 5.00 p.m. on 8 May 2024 will be answered during the Barratt General Meeting.

Website information

- 23** A copy of this notice and other information required by section 311A of the Companies Act can be found at the investor relations section of the Company's website at: www.barrattdevelopments.co.uk.
- 24** In order to join the webcast and ask questions via the platform, members will need to connect to the following site: <https://web.lumiagm.com/121-749-128>. This can be accessed using most well-known internet browsers such as Chrome, Firefox and Safari on a PC, laptop or internet-enabled tablet or smartphone. Access to the Barratt General Meeting will be available from 30 minutes before the Barratt General Meeting start time. An active internet connection is required at all times to allow you to submit

questions and view the webcast. It is your responsibility to ensure you remain connected for the duration of the AGM.

- 25** Once accessed, you will be prompted to enter your unique Shareholder Reference Number (“**SRN**”) and PIN. Your PIN is the first two and last two digits of your SRN. This will authenticate you as a shareholder. Your SRN can be found on your Form of Proxy or Notice of Availability letter. If you are not in receipt of your SRN, please contact Equiniti, our Registrar, by email at hybrid.help@equiniti.com.

Use of electronic address

- 26** Members may not use any electronic address provided in either this notice of meeting or any related documents (including the enclosed form of proxy) to communicate with the Company for any purposes other than those expressly stated.

Data protection statement

- 27** Your personal data includes all data provided by you, or on your behalf, which relates to you as a Barratt Shareholder, including your name and contact details, the votes you cast and your “Reference Number” (attributed to you by the Company). The Company determines the purposes for which and the manner in which your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company’s Registrar) may process your personal data for the purposes of compiling and updating the Company’s records, fulfilling its legal obligations and processing the shareholder rights you exercise.

Helpline

- 28** If you have any questions about this Barratt Circular or the Barratt General Meeting, are in any doubt as to how to complete the Form of Proxy or require additional forms, please call Equiniti on their Shareholder Services Helpline between 8.30 a.m. and 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales) on +44 371 384 2657. If calling from outside the UK, please ensure the country code is used. Calls are charged at the standard geographic rate and will vary by provider. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Equiniti Group cannot provide legal, tax or financial advice or advice on the merits of the Combination.

APPENDIX I QUANTIFIED FINANCIAL BENEFITS STATEMENT

Barratt has made the following quantified financial benefits statement in paragraph 3 of Part II—“*Letter from the Chair*” of this Circular.

“The Barratt Directors, having reviewed and analysed the potential cost synergies of the Combination, and taking into account the factors they can influence, believe that the Combined Group can deliver at least £90 million of pre-tax cost synergies on an annual run-rate basis by the end of the third year following Completion.

The quantified cost synergies, which are expected to originate from the cost bases of both Barratt and Redrow, are expected to be realised primarily from:

- *procurement-related savings (primarily direct materials) driven by:*
 - *price harmonisation through moving existing business to the best price currently available to Barratt and Redrow; and*
 - *volume-based pricing savings across the Combined Group,*
expected to contribute approximately 38 per cent. (£34 million) of the full run-rate pre-tax cost synergies;
- *optimisation of the divisional office structure, expected to contribute approximately 37 per cent. (£33 million) of the full run-rate pre-tax cost synergies; and*
- *consolidation of central and support functions, including board, senior management, duplicate public company costs and other third-party costs, expected to contribute approximately 25 per cent. (£23 million) of the full run-rate pre-tax cost synergies.*

The Barratt Directors expect that approximately 50 per cent. (£45 million) of the annual run-rate pre-tax cost synergies will be realised by the end of the first year following Completion and approximately 90 per cent. of the annual run-rate pre-tax cost synergies will be realised by the end of the second year following Completion, with the full run-rate achieved by the end of the third year following Completion.

The Barratt Directors estimate that the realisation of the quantified cost synergies will result in one-off costs of approximately £73 million, with approximately 57 per cent. incurred in the first year following Completion, approximately 32 per cent. expected to be incurred in the second year following Completion and the remainder by the end of the third year following Completion.

Potential areas of dis-synergy expected to arise in connection with the Combination have been considered and were determined by the Barratt Directors to be immaterial to the above analysis.

The identified cost synergies will accrue as a direct result of the Combination, and would not be achieved on a standalone basis. The identified pre-tax cost synergies reflect both the beneficial elements and relevant costs.”

The Barratt Directors believe that the Combined Group should be able to achieve the synergies set out in the Quantified Financial Benefits Statement.

Further information on the bases of belief supporting the Quantified Financial Benefits Statement, including the principal assumptions and sources of information, is set out below.

Bases of calculation of the Quantified Financial Benefits Statement

In preparing the Quantified Financial Benefits Statement, Redrow has provided Barratt with certain operating and financial information to facilitate a detailed analysis in support of evaluating the potential synergies available from the Combination. In circumstances where data has been limited for commercial, regulatory or other reasons, Barratt management has made estimates and assumptions to aid its development of individual synergy initiatives. The assessment and quantification of the potential synergies have, in turn, been informed by the Barratt management’s industry experience and knowledge of the existing businesses, together with close consultation with Redrow.

The cost base used as the basis for the quantified exercise is:

- relating to non-staff costs:
 - financial information for the year ended 30 June 2023 for the Barratt Group and the 52 weeks ended 2 July 2023 for the Redrow Group; and

- procurement-related savings have been quantified based on combined build costs for the year ended 30 June 2023 for the Barratt Group and the 52 weeks ended 2 July 2023 for the Redrow Group, scaled down by c.20 per cent. to reflect expected combined completion volumes for the year ended 30 June 2024 (Barratt Group) and the 52 weeks ended 30 June 2024 (Redrow Group); and
- relating to staff costs, the latest available headcount and associated annualised direct per-head costs for both the Barratt Group and the Redrow Group.

For the potential synergies arising from the combination of group functions, organisation information was reviewed.

The assessment and quantification of such potential synergies have in turn been informed by Barratt management's industry experience as well as their experience of executing and integrating past acquisitions.

Cost-saving assumptions were based on a detailed, bottom-up evaluation of the benefits available from elimination of duplicate activities, the leverage of combined scale economics and operational efficiencies arising from consolidation of procurement and activities within operational facilities. In determining the estimate of costs savings achievable through the combination of Barratt and Redrow, no savings relating to operations have been included where no overlap exists.

In general, the synergy assumptions have in turn been risk-adjusted, exercising a degree of prudence in the calculation of the estimated synergy benefit set out above.

Where appropriate, assumptions were used to estimate the costs of implementing the new structures, systems and processes required to realise the synergies. In particular, the Barratt Directors have made the following assumptions, which are outside the influence of Barratt:

- there will be no material impact on the underlying operations of either the Barratt Group or the Redrow Group as a result of the Combination or their ability to continue to conduct their businesses;
- there will be no material divestments from the Redrow Group;
- there will be no material change to macroeconomic, political, inflationary, regulatory or legal conditions in the markets or regions in which the Barratt Group and the Redrow Group operate that will materially impact on the implementation of the synergy plans or costs to achieve the proposed cost savings;
- there will be no material change in current foreign exchange rates or interest rates;
- there will be no material change in accounting standards; and
- there will be no change in tax legislation or tax rates or other legislation in the United Kingdom that could materially impact the ability to achieve any benefits.

In addition, the Barratt Directors have made an assumption within the influence of Barratt that there will be no material divestments from the Barratt Group.

In addition, the Barratt Directors have assumed that the cost synergies are substantively within Barratt's control, albeit that certain elements are dependent in part on negotiations with third parties.

Important Notes

The statements of estimated pre-tax synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost synergies referred to may not be achieved, or those achieved could be materially different from those estimated.

No statement in the Quantified Financial Benefits Statement, or this Circular generally, should be construed as a profit forecast or interpreted to mean that Barratt's earnings in the full first year following the Combination, or in any subsequent period, would necessarily match or be greater than or be less than those of Barratt and/or Redrow for the relevant preceding financial period or any other period.

Due to the scale of the Combined Group, there may be additional changes to the Combined Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost savings may be materially greater or less than those estimated.

