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FOR IMMEDIATE RELEASE

20 June 2017

Shawbrook Group PLC Update on Board Recommendation

Shawbrook Group PLC ("**Shawbrook**") notes the announcement released on 19 June 2017 by Marlin Bidco Limited ("**Marlin Bidco**"), a company jointly owned by funds managed or advised by Pollen Street Capital Limited and funds advised by BC Partners LLP, that as at 1:00p.m. (London time) on 19 June 2017, Marlin Bidco owned or had received valid acceptances in respect of 92,165,781 Shawbrook Shares, which, together with the 97,208,919 Shawbrook Shares held by persons acting in concert with or that are joint offerors with Marlin Bidco, represent, in aggregate, approximately 75.6 per cent. of Shawbrook's issued ordinary share capital.

The Independent Directors continue to believe that the Final Offer undervalues Shawbrook and its prospects. However, the Independent Directors also recognise that, in the event the Final Offer is declared wholly unconditional, Marlin Bidco will have obtained a very significant level of control of Shawbrook. This level of control will enable Marlin Bidco to implement its stated intention to procure that Shawbrook applies to the UK Listing Authority for the cancellation of its listing on the Official List and to the London Stock Exchange for the cancellation of its admission to trading. Consequently, it is likely that Shawbrook shareholders who do not accept the Final Offer could, as a result, own a minority interest in an unlisted company. This would significantly reduce the liquidity of Shawbrook Shares.

Accordingly, the Independent Directors, who have been so advised by BofA Merrill Lynch and Goldman Sachs International, now recommend that shareholders accept the Final Offer, as the Independent Directors will now be doing in respect of their own beneficial shareholdings.

Marlin Bidco has announced that the Final Offer is being extended and will remain open for acceptance until the next closing date which will be 1.00 p.m. (London time) on 10 July 2017. Pursuant to Rule 31.2 of the Code, Marlin Bidco must give at least 14 days' notice to those Shareholders who have not accepted before the Final Offer is closed.

Unless otherwise stated, defined terms have the meaning given to them in the Shawbrook circular dated 8 June 2017.

The person responsible for arranging for the release of this announcement on behalf of Shawbrook is Daniel Rushbrook, Company Secretary.

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Important disclaimer

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Certain information contained in this announcement, including any information as to the Group's strategy, market position, plans or future financial or operating performance, constitutes "forward looking statements". Such forward-looking statements are made based upon the expectations and beliefs of the Group's directors concerning future events impacting the Group, including numerous

assumptions regarding the Group's present and future business strategies and the environment in which it will operate going forward, which may prove to be inaccurate. As such, the forward-looking statements contained in this announcement involve known and unknown risks and uncertainties, which may cause the actual results, performance or achievements of the Group or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

About Shawbrook

Shawbrook is an independent specialist lending and savings bank serving UK SMEs and consumers with tailored products designed to address a selection of high growth sub-sectors of the overall lending industry. The Group's lending activities are primarily funded by a stable retail deposit book consisting of easy access and ISA accounts, variable rate long-dated notice accounts (mostly 95 - 120 days' notice) and fixed rate fixed term accounts (mostly one - five years). Shawbrook Bank Limited is an operating entity of Shawbrook Group plc. In April 2015, Shawbrook Group plc's shares (SHAW.L) listed on the Main Market of the London Stock Exchange. Shawbrook Bank Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and is a member of the Financial Services Compensation Scheme.

Additional information

Goldman Sachs International, which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Shawbrook and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Shawbrook for providing the protections afforded to clients of Goldman Sachs International, or for providing advice in connection with the contents of this announcement or any other matter referred to in this announcement.

Merrill Lynch International ("**BofA Merrill Lynch**"), a subsidiary of Bank of America Corporation, which is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the United Kingdom, is acting exclusively for Shawbrook in connection with the matters set out in this announcement and for no one else and will not be responsible to anyone other than Shawbrook for providing the protections afforded to its clients or for providing advice in relation to the matters set out in this announcement.

Publication on Website

A copy of this announcement will be made available at www.shawbrook.co.uk no later than 12.00 noon (London time) on 21 June 2017 (being the business day following the date of this announcement) in accordance with Rule 26.1(a) of the Code. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

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