

PA CONSULTING GROUP LIMITED

2015 Carlyle Investment

TAX INFORMATION – UNITED ARAB EMIRATES

PREPARED: 6 November 2015

LAST UPDATED: 30 November 2017

This document is intended for people who held legacy PA Ordinary shares who were not directors, employees or linked shareholders (spouse/ trust etc.) of any member of the PA Group as of 1 August 2015 or who had given or received notice of termination of their employment prior to 1 August 2015.

This document summarises the information that PA has received from external lawyers and tax advisers in relation to the personal tax implications of the Carlyle Investment which completed on 11 December 2015 when all legacy PA shares were purchased in exchange for a mix of cash, Vendor Loan Notes and new equity.

The information contained herein assumes you are tax resident in the UAE. Whilst every effort has been made to ensure the accuracy of the tax information provided, PA does not take any responsibility for personal tax obligations which remain with you the taxpayer and with your personal tax adviser if you have one.

Disclaimers:

PA gives no undertaking to update this document. The issue of the document shall not be deemed to be any form of commitment on the part of PA to proceed with any Investment.

This communication is for information purposes only and is not intended to be, and is not, an offer or invitation to sell, or to purchase or subscribe, any shares or other securities.

Nothing in this document constitutes legal, tax or financial advice. If you do not understand anything in this document or if you require legal, tax or financial advice in respect of your specific circumstances it is strongly recommended that you seek professional advice from an appropriately authorised independent adviser.

The information in this document in respect of taxation is general in nature. The information in this document has not, therefore, been tailored to your personal circumstances and the actual tax consequences for you may be different than as set out in this document. The information in this document applies in respect of an individual who is and has been resident and domiciled for tax purposes in the country to which this document applies (as stated in the title of this document) during the period from the first date on which any PA shares or share options were acquired until the final disposal of any securities referred to in this document. For the avoidance of doubt, if you decide to transfer your shares to any other person, or if any of your options lapse, the information in this document will not take account of this transfer or lapse. The information in this document is based on information provided to PA on the basis of tax laws in force at the time such information was provided to PA. PA has sought to ensure that the information in this document is accurate, but cannot be responsible for any inaccuracies.

References in this document to the value of securities are to the value of such securities for the purposes of the Scheme of Arrangement implementing the proposed Carlyle investment only. The value for which such securities may be able to be disposed of may be different, and can fall as well as rise.

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ABBREVIATIONS

PACG	PA Consulting Group Limited. This was the company in which legacy PA shares were held. It was renamed PA Consulting Holdings Limited on 11 December following the Carlyle investment.
PACG Ordinary share	The legacy Ordinary shares in PA Consulting Group Limited
Investment	The proposal from the Carlyle Group to purchase all issued PACG Ordinary shares through a UK court approved scheme of arrangement.
Loan Note (VLN)	This is your vendor (i.e. seller) loan to the new PA group.
Gifted shares	The PA EBT owned circa 5 million of PA's 25 million Ordinary shares. The trust gave (via nil cost options or by gift) to current and former employee shareholders its Ordinary PA shares.
EBT	The PA 2004 ESOP. This is PA's Jersey employee benefit trust which held the PACG Ordinary shares not currently held by employees.

SUMMARY

The Investment was approved by legacy PACG Ordinary shareholders and the court, and became effective on 11 December 2015.

You can review your Personal communication (attached to the email set to you by PA's Share Plans team on 17 December 2015) of what your legacy share and/or share options delivered as a result of the Investment happening on 11 December.

1. [General note on tax implications for UAE based shareholders](#)
2. [You had a special opportunity to use your share options before the Investment.](#)
3. [No future tax charges on your Loan Note](#)

1. General note on tax implications for UAE based shareholders

Each legacy PACG Ordinary share you held (including those given to you by the EBT) was exchanged for the following consideration:

- £11.1234 Cash (value)
- £12.7700 Loan note (value)

Your Cash proceeds were delivered to you in Dirhams. The market rate on the date the Scheme became effective was applied to convert your Cash proceeds to Dirhams.

The UAE does not currently levy personal taxes. No UAE taxes will then arise as a result of the Investment.

You should however be aware that where you have moved to the UAE from another country, or have now left the UAE, you may have tax obligations in that other country. International personal tax is complex and advice will differ greatly from person to person depending on individual circumstances.

You should consult an independent tax adviser if you have any concerns regarding your personal tax position in any country.

2. You had a special opportunity to use your share options before the Investment.

As a result of the Investment, you had a special opportunity to use all options you held.

If you held share options, the purchase cost you need to pay to acquire existing PACG shares (which were then subject to the Investment) was deducted from the upfront Cash proceeds due to you.

3. No future tax charges on your Loan Note

Interest

Interest is payable on your Loan Note amount each September at a fixed annual rate of 5% and also on the amount of any repayment of Loan Note at the time it is repaid.

Any interest payments made in respect of the Loan Note will be subject to UK withholding tax at basic rate, currently 20%.

Capital repayment

From the total £200 million total issued Vendor Loan Notes,

- £20 million was repaid on 31 March 2017
- £30 million was repaid on 15 December 2017

Together these payment equates to 25% of each holder's total Loan Note amount.