

## Post-transaction report

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| <b>Name of issuer</b> | Diploma PLC   |
| Transaction details   | <p>In aggregate, Capital Raise of 9,350,965 New Ordinary Shares (comprising 9,297,005 Placing Shares, 3,960 Subscription Shares and 50,000 Retail Shares) represents approximately 7.5% of the Company's issued ordinary share capital.</p> <p>Settlement for the New Ordinary Shares and Admission took place at 8.00 a.m. on 21 March 2023.</p>   |
| Use of proceeds       | <p>The proceeds of the proposed Placing, Subscription and Retail Offer will be used to refinance the consideration paid for the acquisition of Tennessee Industrial Electronics, LLC, a market leading value-add distributor of aftermarket parts and repair services into the fast-growing US industrial automation end market, with a focus on robotics and computer numerical control (CNC) machines, as well as provide the Group with greater flexibility to execute on its strong M&amp;A pipeline to accelerate future organic growth.</p> |
| Quantum of proceeds   | <p>In aggregate, the Capital Raise raised gross proceeds of approximately £236 million and net proceeds of approximately £232 million.</p>  |
| Discount              | <p>The Placing Price of 2,525 pence represents a discount of 4.2 per cent. to the closing share price of 2,636 pence on 16 March 2023.</p>  |
| Allocations           | <p>Soft pre-emption has been adhered to in the allocations process. Management was involved in the allocations process, which has been carried out in compliance with the MiFID II Allocation requirements. Allocations made outside of soft pre-emption were preferentially directed towards existing shareholders in excess of their pro rata, and wall-crossed accounts.</p>   |
| Consultation          | <p>The Joint Bookrunners undertook a pre-launch wall-crossing process, including consultation with major shareholders, to the</p>   |

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|                         | <p>extent reasonably practicable and permitted by law.</p>   |
| <p>Retail investors</p> | <p>The Capital Raise included a Retail Offer, for a total of 50,000 Retail Shares, via the PrimaryBid platform.</p> <p>Retail investors, who participated in the Retail Offer, were able to do so at the same Placing Price as all other investors participating in the Placing and Subscription.</p> <p>The Retail Offer was made available to existing shareholders and new investors in the UK. Investors were able to participate through PrimaryBid's platform via its partner network (covering 60+ FCA registered intermediaries) and through PrimaryBid's free-to-use direct channel. Investors had the ability to participate in this transaction through ISAs and SIPPs, as well as General Investment Accounts (GIAs). This combination of participation routes meant that, to the extent practicable on the transaction timetable, eligible UK retail investors (including certificated retail shareholders) had the opportunity to participate in the Capital Raise alongside institutional investors.</p> <p>Allocations in the Retail Offer were preferentially directed towards existing shareholders in keeping with the principle of soft pre-emption.</p> |