

PINE RIVER CFD DEED OF IRREVOCABLE UNDERTAKING

To: Avnet, Inc. (“**Avnet**”)
2211 South 47th Street
Phoenix
Arizona, 85034

Merrill Lynch International (the “**Adviser**”)

From: each of the undersigned (the “**Shareholders**” and each a “**Shareholder**”)

27 July 2016

Re: Offer for shares in Premier Farnell plc (the “Company”)

Dear Sirs

1. In this Deed unless the context otherwise requires:

“**Acquisition**” means the proposed acquisition by or on behalf of Avnet described in the Rule 2.7 Announcement, and any references to the “**Acquisition**” shall include any revisions, extensions or renewals of such Acquisition;

“**Business Day**” means a day (other than a Saturday, Sunday or public or bank holiday in the UK) when banks are generally open for business in London and New York;

“**CFD Shares**” has the meaning given to it in paragraph 3.3;

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“**Committed Shares**” means, in the case of each Shareholder, the Shares specified in Part (A) of the Schedule hereto set opposite its name, including any Shares deriving from the rights set out opposite its name in column 4 of Part (A) of that Schedule (but does not include CFD Shares or Further CFD Shares);

“**Code**” means the City Code on Takeovers and Mergers as issued from time to time by or on behalf of the Panel;

“**Court**” means the High Court of Justice in England and Wales;

“**Court Meeting**” means the meeting of the holders of those Scheme Shares which are in issue as at the Voting Record Time (and any adjournment of such meeting) to be convened pursuant to section 896 of the Act for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme;

“**Encumbrance**” means any mortgage, assignment, dealing, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, any other encumbrance or security interest of any kind, and any other type of preferential

arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

“Exempted Transfer” shall mean any of the following transfers of Shares:

- (a) transfer(s) of Shares by testamentary disposition or operation of law, in which case this Deed shall bind the transferee;
- (b) transfer(s) of Shares pursuant to any pledge agreement, subject to the pledgee agreeing in writing to be bound by the terms of this Deed;
- (c) transfer(s) of Shares to companies that are subsidiaries or holding companies of the Shareholder or subsidiaries of any holding company of the Shareholder subject to the transferee agreeing in writing to be bound by the terms of this Deed;
- (d) such transfer(s) of Shares to Avnet (or its nominee) pursuant to the terms of this Deed; and
- (e) such transfer(s) of Shares as Avnet may otherwise permit in its discretion;

“Extraordinary General Meeting” or **“EGM”** means the extraordinary general meeting of the registered holders of the Shares (and any adjournment thereof) to be convened in connection with the implementation of the Acquisition by Scheme, expected to be held as soon as the preceding Court Meeting shall have been concluded or adjourned;

“Further CFD Shares” means any further Shares which a Shareholder may become economically interested in through CFDs or other arrangements entered into by it after the date of this Deed;

“Further Shares” means any other issued Shares which a Shareholder may become the beneficial owner of after the date of this Deed (but does not include CFD Shares or Further CFD Shares);

“Offer” means the proposed offer by or on behalf of Avnet to acquire all of the issued and to be issued Shares at the Offer Price, subject to satisfaction of the conditions and any other applicable regulatory requirements customarily included in offers made under the Code and any reference to the Offer include any extensions of such Offer;

“Offer Price” means the proposed cash price of 185 pence payable for each Share pursuant to the Offer as amended or increased from time to time;

“Panel” means the UK Panel on Takeovers and Mergers;

“Rule 2.7 Announcement” means the rule 2.7 announcement dated July 2016;

“Scheme” means a court-approved scheme of arrangement under Chapter 1 of Part 9 of the Companies Act 2014;

“**Shares**” means the ordinary shares in the capital of the Company;

“**subsidiaries**” means subsidiaries as defined in the Companies Act 2006; and

“**Underlying Holder**” has the meaning given to it in paragraph 3.5.

2. This Deed is conditional upon Avnet announcing the Offer by 29 July 2016.
3. Each Shareholder hereby irrevocably and unconditionally warrants, undertakes and agrees with Avnet in respect of itself on the terms of this Deed, that:
 - 3.1 it is the sole beneficial owner of the Committed Shares and has, and will continue to have, all relevant authority to:
 - (a) accept or procure the acceptance of the Offer in respect of the Committed Shares and any Further Shares and to transfer them free from all Encumbrances and together with all rights of any nature attaching to the Committed Shares and any Further Shares as envisaged by the terms of the Offer; or
 - (b) if the Acquisition is implemented as a Scheme, vote in favour of the Scheme and Acquisition in respect of the Committed Shares and any Further Shares;
 - 3.2 it holds an economic interest in the number of Shares set out opposite its name in Part (C) of the Schedule hereto through contracts for differences (“**CFDs**”) (such shares being the “**CFD Shares**”), but, for the avoidance of doubt, the Shareholder does not have any legally enforceable right or entitlement to sell, or to compel or procure the sale of, the CFD Shares or any interest therein or to exercise, or to compel or procure the exercise of, any rights (including voting rights) attaching to the CFD Shares;
 - 3.3 either the Underlying Holder in relation to the CFD Shares is not the Adviser or a member of the Adviser’s group or, if the Underlying Holder is the Adviser or a member of the Adviser’s group, the Shareholder shall not later than 10 days after the date of this Deed take such steps as are necessary to ensure that the Underlying Holder is not the Adviser or a member of the Adviser’s group;
 - 3.4 other than the Committed Shares and the CFD Shares, it does not own, manage, control or have any interest, directly or indirectly, in any Shares or other securities of the Company or any rights to subscribe for, purchase or otherwise acquire any such Shares or securities either alone or together with others;
 - 3.5 it shall:
 - (a) cast or procure the casting of all votes, in person or by proxy, in respect of all of its Committed Shares and Further Shares; and

- (b) having regard to the fact that it has no legally enforceable right to compel the underlying holder of the CFD Shares or the Further CFD Shares (the “**Underlying Holder**”) to do so, the Shareholder will, to the extent it is able, direct the Underlying Holder to procure the casting of all votes, in person or by proxy, in respect of the CFD Shares and the Further CFD Shares,

in favour of the Scheme and Acquisition and in favour of any resolutions required to approve and implement the Scheme and Acquisition (including, but not limited to, resolutions to reduce the share capital of the Company and alter the articles of association of the Company in connection with the Scheme) whether at the Court Meeting or Extraordinary General Meeting, provided that, to the extent that the Shareholder is unable to direct the Underlying Holder to cast votes attaching to the CFD Shares and the Further CFD Shares as aforesaid by 5.00 p.m. (London time) on the fifth (5th) Business Day after the despatch of the scheme document or, in the case of Further CFD Shares, the second (2nd) Business Day after the Shareholder becomes economically interested in Further CFD Shares, if later, the Shareholder will, by no later than 5.00 p.m. (London time) on the fifth (5th) Business Day thereafter, but subject to the Underlying Holder agreeing in advance to deliver the relevant CFD Shares and relevant Further CFD Shares to the Shareholder, instruct the Underlying Holder to close out the CFDs (provided that neither party to the CFDs is prevented by the terms of the CFD or its internal trading restrictions from doing so) such that the Shareholder (or its nominee) shall, upon closing out the CFDs, take delivery of the relevant CFD Shares and relevant Further CFD Shares, whereupon such Shares will become Further Shares (and cease to be CFD Shares and / or Further CFD Shares) for the purposes of this Deed and the Shareholder will comply with its obligations in respect of such Shares as if they were Further Shares for the purposes of the provisions of this Deed;

- 3.6 should Avnet, with the consent of the Panel, elect to implement the Acquisition by way of a contractual offer, it will accept (or procure the acceptance of) the Offer in accordance with its terms in respect of all the Committed Shares and Further Shares not later than 5.00 p.m. (London time) on the fifth (5th) Business Day after the despatch of the offer document. If a Shareholder becomes the beneficial owner of Further Shares after the despatch of the offer document, the Shareholder will accept (or procure the acceptance of) the Offer in accordance with its terms in respect of such Further Shares not later than 5.00 p.m. (London time) on the later of the fifth (5th) Business Day after the despatch of the offer document or the second (2nd) Business Day after the Shareholder becomes the beneficial owner of such Further Shares;
- 3.7 having regard to the fact that it has no legally enforceable right to compel the Underlying Holder to do so, it will, to the extent that it is able, direct the Underlying Holder to accept the Offer in accordance with its terms in respect of all CFD Shares and Further CFD Shares not later than 5.00 p.m. (London time) on

the fifth (5th) Business Day after the despatch of the offer document. If a Shareholder becomes economically interested in Further CFD Shares after the despatch of the offer document, the Shareholder will, to the extent that it is able, direct the Underlying Holder to accept the Offer in accordance with its terms in respect of such Further CFD Shares not later than 5.00 p.m. (London time) on the later of the fifth (5th) Business Day after the despatch of the offer document or the second (2nd) Business Day after the Shareholder becomes economically interested in Further CFD Shares;

- 3.8 to the extent that it is unable, within the time periods set out in paragraph 3.7 above, to direct the Underlying Holder to accept the Offer in respect of any CFD Shares and Further CFD Shares, it will, by no later than 5.00 p.m. (London time) on the fifth (5th) Business Day following the expiry of the relevant time period in paragraph 3.7, but subject to the Underlying Holder agreeing in advance to deliver the relevant CFD Shares and relevant Further CFD Shares to the Shareholder, instruct the Underlying Holder to close out the CFDs (provided that neither party to the CFDs is prevented by the terms of the CFD or its internal trading restrictions from doing so) such that the Shareholder (or its nominee) shall, upon closing out the CFDs, take delivery of the relevant CFD Shares and relevant Further CFD Shares, whereupon such Shares will become Further Shares (and cease to be CFD Shares and / or Further CFD Shares) for the purposes of this Deed and the Shareholder will comply with its obligations in respect of such Shares as if they were Further Shares for the purposes of the provisions of this Deed;
- 3.9 it shall not:
- (a) except by way of an Exempted Transfer or except pursuant to the Acquisition, sell, transfer, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, charging or other disposition or the creation or grant of any other Encumbrance over all or any of the Committed Shares, the Further Shares or, so far as the Shareholder is able, the CFD Shares and the Further CFD Shares or any interest in all or any thereof;
 - (b) directly or indirectly solicit, accept or agree to accept any other offer in respect of all or any of the Committed Shares, any Further Shares or, so far as the Shareholder is able, the CFD Shares and the Further CFD Shares (whether conditional or unconditional) by whatever means the same is to be implemented;
 - (c) withdraw the acceptances referred to in paragraphs 3.4 and 3.5 above in respect of any of the Committed Shares, Further Shares or, so far as the Shareholder is able, the CFD Shares or Further CFD Shares even if entitled to withdraw such acceptances under the Code;

- (d) enter into any deed, agreement, arrangement or incur an obligation or give any indication of intent (whether conditional or unconditional and whether or not legally binding):
 - (i) to do all or any of the acts referred to in this paragraph 3.9; or
 - (ii) which, in relation to the Committed Shares, the Further Shares, the CFD Shares or the Further CFD Shares, would or might restrict or impede the Shareholder accepting or procuring the acceptance of the Offer or voting in favour of the Scheme;
- 3.10 it has and will continue to have all relevant authority and power to enter into, and to perform all obligations under this Deed;
- 3.11 where the Committed Shares and / or the Further Shares are registered in the name of a nominee of the Shareholder, it shall direct and procure the nominee to act as if the nominee were bound by the terms of this Deed and shall do all acts necessary to carry the terms hereof into effect as if the Shareholder had been the registered holder of the Committed Shares and / or the Further Shares; and
- 3.12 it will notify Avnet immediately upon becoming aware of any breach of the foregoing undertakings and warranties.

The warranties, representations, agreements and undertakings contained in this paragraph 3 shall not be extinguished or affected by completion of the sale and purchase of the Committed Shares, the Further Shares, the CFD Shares and/or the Further CFD Shares.

- 4. Each Shareholder recognises and acknowledges that if it should fail to comply with the obligations contained herein or should otherwise be in breach of any of any obligations under this Deed, damages may not be an adequate remedy and that Avnet should accordingly be entitled to seek equitable relief, including an injunction or order for specific performance for such failure or breach.
- 5. Each Shareholder consents to the issue of the Rule 2.7 Announcement and subsequent announcements and documents incorporating references to it and to this Deed.
- 6. Each Shareholder will provide Avnet with all reasonable assistance and further information to the extent not prohibited by any confidentiality obligations in relation to its interest in the Committed Shares, the Further Shares, the CFD Shares and/or the Further CFD Shares as Avnet may require in order to comply with the requirements of the Panel and any other legal or regulatory requirements for inclusion in the Offer Announcement or any other document required in connection with the Offer.
- 7. Each Shareholder shall notify Avnet promptly in writing of any changes in such details and shall, on request, provide Avnet with all reasonable assistance in compiling and confirming the details of its interests and dealings in securities of the Company (to the extent required, pursuant to the Code, to be disclosed in the scheme document). Each

Shareholder shall also promptly supply, or procure the supply to Avnet of details (dates, prices and numbers) of its dealings in Shares in the twelve (12) month period prior to 25 July 2016. Each Shareholder confirms that it does not hold any interest in securities in Avnet. The Shareholder consents to this Deed being disclosed to the Panel and details of this Deed, including the Shareholder's identity, being disclosed in the Rule 2.7 Announcement and subsequent announcements and documents.

8. This Deed shall cease to have any effect whatsoever if:
 - (a) the Offer is not announced by 29 July 2016; or
 - (b) the Offer or Scheme (as applicable) lapses or is withdrawn; or
 - (c) Avnet announces that it will not proceed to make the Acquisition; or
 - (d) any third party shall in accordance with the Code announce a firm intention to make an offer or revised offer for the Company for consideration per share greater than the consideration per share offered under the terms of the Acquisition and Avnet has not within 21 days of the date of the announcement of such competing offer announced a revision to the Acquisition the terms of which provide a price per share equal to or greater than that offered under such competing offer.

9. The Shareholder hereby accepts and acknowledges that:
 - (a) it has not entered into this Deed relying on any statement or representation, whether or not made by Avnet or the Adviser (or any of its directors, officers, employees or agents) or any other person and that nothing in this Deed obliges Avnet to announce or make the Acquisition or issue the Rule 2.7 Announcement;
 - (b) the Adviser is acting on behalf of Avnet and as such the Shareholder is not a client of the Adviser. The Shareholder has taken independent financial and legal advice in agreeing to execute this Deed and recognises that, as it is not a client of the Adviser, neither the Adviser nor Avnet has any responsibility to it to ensure that this Deed is suitable for execution by or on behalf of the Shareholder or otherwise;
 - (c) any time, date or period mentioned in this Deed may be extended by agreement between the parties but as regards any time, date or period originally fixed or so extended time shall be of the essence;
 - (d) the invalidity, illegality or enforceability of a provision of this Deed shall not affect or impair the continuance in force of the remainder of this Deed;
 - (e) Avnet may assign all rights and obligations under this Deed to any other company under the same ultimate ownership as Avnet;

- (f) the Shareholder will keep confidential the possibility, terms and conditions of the Offer and the existence and terms of this Deed until, in each case, the announcement of the same by or on behalf of Avnet;
 - (g) by signing this Deed the Shareholder hereby consents to the issue of the Rule 2.7 Announcement indicating that this commitment has been given by the Shareholder and the Shareholder further acknowledges that particulars of this Deed will be contained in the scheme document and that this Deed will be publically available; and
 - (h) this Deed will be governed by and construed in accordance with English law and that the London courts are to have exclusive jurisdiction for all purposes in connection herewith.
10. The provisions of this undertaking relating to CFD Shares or Further CFD Shares shall cease to be operative if the Shareholder, acting in good faith, gives written notice to Avnet that terminating or unwinding the relevant CFD would have material adverse financial consequences for the Shareholder (but excluding for this purpose liability to pay stamp duty).

SCHEDULE

HOLDINGS AND DEALINGS IN PREMIER FARNELL

(A) Holdings as at date hereof

(1) Shareholder (Beneficial Owner)	(2) Registered Holder (if different)	(3) Number of Class of Shares in the Company	(4) Number of Shares in Company, subject to options, warrants or other rights to subscribe, acquire or convert

(B) Dealings since 25 July 2016

(1) Shareholder	(2) Transaction Type	(3) Date	(4) Quantity	(5) Price

(C) Interests in CFD Shares at the date hereof

(1) Shareholder (Party with economic interest in CFD Shares)	(2) Number of CFD Shares
Pine River Baxter Fund Ltd.	1,869,713
Pine River Master Fund Ltd.	3,130,287

Pine River Baxter Master Fund Ltd. (Shareholder)

By Pine River Capital Management L.P., its Investment Adviser

[Redacted Signature]

(Chief Compliance Officer)

acting by a director in the presence of:

Witness's signature: [Redacted Signature]

Name (print): Julie Sprau

Occupation: Attorney, Pine River Capital Management L.P.

Address: 601 Carlson Pkwy, 7th Floor
Minnetonka, MN 55305

Pine River Master Fund Ltd. (Shareholder)

By Pine River Capital Management L.P., its Investment Adviser

[Redacted]

(Chief Compliance Officer)

acting by a director in the presence of:

[Redacted]

Witness's signature:

Name (print): Julie Spray

Occupation: Attorney Pine River Capital Management L.P.

Address: 601 Carlson Plaza, 7th Floor
Minnetonka, MN 55305

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