

ANNOUNCEMENT TO BE MADE BY THE AIM APPLICANT PRIOR TO ADMISSION IN ACCORDANCE WITH RULE 2 OF THE AIM RULES FOR COMPANIES (“AIM RULES”)
COMPANY NAME:
Chapel Down Group plc (“ Chapel Down ”, or the “ Company ”)
COMPANY REGISTERED OFFICE ADDRESS AND IF DIFFERENT, COMPANY TRADING ADDRESS (INCLUDING POSTCODES):
The Company’s registered address and trading address: Chapel Down Winery Smallhythe Road Tenterden Kent United Kingdom TN30 7NG
COUNTRY OF INCORPORATION:
England & Wales
COMPANY WEBSITE ADDRESS CONTAINING ALL INFORMATION REQUIRED BY AIM RULE 26:
https://chapeldown.com/pages/investors On the Company’s admission to AIM (“ Admission ”) the above website address will contain all information required by AIM Rule 26.
COMPANY BUSINESS (INCLUDING MAIN COUNTRY OF OPERATION) OR, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING POLICY). IF THE ADMISSION IS SOUGHT AS A RESULT OF A REVERSE TAKE-OVER UNDER RULE 14, THIS SHOULD BE STATED:
<p>Chapel Down is England’s leading and largest wine producer with an award-winning range of sparkling and still wines, under the Chapel Down brand. The Company owns, leases and sources from 1,023 acres of vineyards in South East England, of which 750 acres are fully productive, making it the largest wine producer in the UK. The Company sold 1.41m bottles of wine in 2022, generating revenue from off-trade, on-trade, export, and direct to consumer e-commerce and retail sales.</p> <p>The Company continues to build its status as the leading brand of the English wine industry, with awareness of 37% as at June 2023, supported by its partnerships (including with the England and Wales Cricket Board and Ascot Racecourse) and events. The Company also welcomes approximately 60,000 visitors a year for winery tours and tastings at its brand home and retail experience in Tenterden, Kent.</p> <p>The Company’s main country of operation is England and the domestic market accounts for 95% of sales.</p> <p>Chapel Down was admitted to trading on the OFEX Exchange (a precursor to the Aquis Exchange) in March 2003. The Company trades on the Apex Segment of the AQSE Growth Market with a market capitalisation of approximately £75 million.</p>

DETAILS OF SECURITIES TO BE ADMITTED INCLUDING ANY RESTRICTIONS AS TO TRANSFER OF THE SECURITIES (i.e. where known, number and type of shares, nominal value and issue price to which it seeks admission and the number and type to be held as treasury shares):

The Company currently has 159,253,885 ordinary shares of 5 pence each in issue ("**Ordinary Shares**") with each carrying one voting right. On Admission the Company will have 159,253,885 Ordinary Shares in issue.

There will be no shares held in treasury on Admission.

There will be no restrictions on the transfer of securities to be admitted to trading.

The Company has 14,322,158 A1 shares of £0.0001 each and 3,800,000 A2 shares of £0.0001 each in issue (the "**Growth Shares**"). The Growth Shares hold no voting rights. On the Company's admission to AIM, the holders of the Growth Shares are entitled to receive a certain number of Ordinary Shares (as set out in the Company's articles of association) to be determined by the Company's closing middle market share price on the day prior to Admission (the "**New Ordinary Shares**"). It is expected that the New Ordinary Shares will be admitted to trading on AIM the day following Admission. For indicative purposes only, based on a share price of 47 pence, being the closing share price on last practicable date prior to this announcement, a total of 10,808,141 New Ordinary Shares would be issued.

CAPITAL TO BE RAISED ON ADMISSION (AND/OR SECONDARY OFFERING) AND ANTICIPATED MARKET CAPITALISATION ON ADMISSION:

The Company will not be raising new capital or providing a secondary offering as part of Admission.

Anticipated market capitalisation on admission: c.£75 million based upon the market capitalisation of the Company on the date of this notification.

PERCENTAGE OF AIM SECURITIES NOT IN PUBLIC HANDS AT ADMISSION:

The percentage of AIM securities not in public hands on Admission will be 45.89%.

DETAILS OF ANY OTHER EXCHANGE OR TRADING PLATFORM TO WHICH THE AIM SECURITIES (OR OTHER SECURITIES OF THE COMPANY) ARE OR WILL BE ADMITTED OR TRADED:

None.

THE COMPANY HAS APPLIED FOR THE VOLUNTARY CARBON MARKET DESIGNATION (Y/N)

N.

FULL NAMES AND FUNCTIONS OF DIRECTORS AND PROPOSED DIRECTORS (underlining the first name by which each is known or including any other name by which each is known):

Martin Richard Glenn – Independent Non-Executive Chairman

Andrew James Carter – Chief Executive Officer

Robert Allan Charles Smith – Chief Financial Officer

Nigel William Wray – Non-Executive Director

Lord Michael Alan Spencer – Non-Executive Director

Samantha (“Sam”) Anne Wren – Non-Executive Director

James (“Jamie”) Brooke – Independent Non-Executive Director

Stewart Charles Gilliland – Independent Non-Executive Director

FULL NAMES AND HOLDINGS OF SIGNIFICANT SHAREHOLDERS EXPRESSED AS A PERCENTAGE OF THE ISSUED SHARE CAPITAL, BEFORE AND AFTER ADMISSION (underlining the first name by which each is known or including any other name by which each is known):

Name	Existing number of shares held	Anticipated % of ordinary shares held before and after Admission
<u>IPGL Ltd</u> including connected parties ¹	45,823,821	28.77
<u>Nigel</u> William Wray ²	23,631,970	14.84
Bridgeport Investment Limited	5,135,571	3.22

*Existing share ownership figures are as at 8 November 2023

Note 1: IPGL Ltd (“**IPGL**”) holds 45,645,250 Ordinary Shares in its own name and Lord Michael Spencer Of Alresford, beneficial owner of IPGL and Non-Executive Director of the Company, holds a further 178,571 Ordinary Shares in his own name.

Note 2: Of the above total, 21,195,571 Ordinary Shares are held by family trusts whose beneficiaries are Nigel Wray's children. The balance of Ordinary Shares represents Nigel Wray's beneficial holding. Nigel Wray is a Non-Executive Director of the Company.

NAMES OF ALL PERSONS TO BE DISCLOSED IN ACCORDANCE WITH SCHEDULE 2, PARAGRAPH (H) OF THE AIM RULES:

N/A

- (i) ANTICIPATED ACCOUNTING REFERENCE DATE
- (ii) DATE TO WHICH THE MAIN FINANCIAL INFORMATION IN THE ADMISSION DOCUMENT HAS BEEN PREPARED (this may be represented by unaudited interim financial information)
- (iii) DATES BY WHICH IT MUST PUBLISH ITS FIRST THREE REPORTS PURSUANT TO AIM RULES 18 AND 19:

- (i) 31 December

(ii)	N/A – existing issuer moving from the Aquis Exchange
(iii)	First three reports: <ul style="list-style-type: none"> a. Audited results for the year to 31 December 2023 – by 30 June 2024 b. Unaudited results for the six months to 30 June 2024 – by 30 September 2024 c. Audited results for the year to 31 December 2024 – by 30 June 2025
EXPECTED ADMISSION DATE:	
7 December 2023	
NAME AND ADDRESS OF NOMINATED ADVISER:	
Singer Capital Markets Advisory LLP 1 Bartholomew Lane London EC2N 2AX	
NAME AND ADDRESS OF BROKER:	
Singer Capital Markets Securities Limited 1 Bartholomew Lane London EC2N 2AX	
OTHER THAN IN THE CASE OF A <u>QUOTED APPLICANT</u>, DETAILS OF WHERE (POSTAL OR INTERNET ADDRESS) THE ADMISSION DOCUMENT WILL BE AVAILABLE FROM, WITH A STATEMENT THAT THIS WILL CONTAIN FULL DETAILS ABOUT THE APPLICANT AND THE ADMISSION OF ITS SECURITIES:	
N/A – quoted applicant	
THE CORPORATE GOVERNANCE CODE THE APPLICANT HAS DECIDED TO APPLY	
The Quoted Companies Alliance (QCA) Corporate Governance Code.	
DATE OF NOTIFICATION:	
9 November 2023	
NEW/ UPDATE:	
New	
QUOTED APPLICANTS MUST ALSO COMPLETE THE FOLLOWING:	
THE NAME OF THE <u>AIM DESIGNATED MARKET</u> UPON WHICH THE APPLICANT'S SECURITIES HAVE BEEN TRADED:	
The Apex segment of the Growth Market of the Aquis Exchange.	
THE DATE FROM WHICH THE APPLICANT'S SECURITIES HAVE BEEN SO TRADED:	

Chapel Down was admitted to trading on the OFEX Exchange (a precursor to today's Aquis Exchange) on 24 March 2003.

CONFIRMATION THAT, FOLLOWING DUE AND CAREFUL ENQUIRY, THE APPLICANT HAS ADHERED TO ANY LEGAL AND REGULATORY REQUIREMENTS INVOLVED IN HAVING ITS SECURITIES TRADED UPON SUCH A MARKET OR DETAILS OF WHERE THERE HAS BEEN ANY BREACH:

Confirmed – Chapel Down has adhered to all legal and regulatory requirements involved in having its securities admitted to trading on the Apex segment of the Aquis Exchange.

AN ADDRESS OR WEB-SITE ADDRESS WHERE ANY DOCUMENTS OR ANNOUNCEMENTS WHICH THE APPLICANT HAS MADE PUBLIC OVER THE LAST TWO YEARS (IN CONSEQUENCE OF HAVING ITS SECURITIES SO TRADED) ARE AVAILABLE:

<https://chapeldown.com/pages/investors>

DETAILS OF THE APPLICANT'S STRATEGY FOLLOWING ADMISSION INCLUDING, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING STRATEGY:

The Company's mission is to change the way the world thinks about English wine and its vision is to be the number one, and most celebrated, English winemaker. The English wine region and consumer market continues to grow strongly and as the market leader, Chapel Down has a significant opportunity to build and develop the brand with its customers and consumers.

In its full year results for the year ended 31 December 2021, the Company announced its target to double the size of the business by 2026. The Company's strategy to achieve this target remains unchanged, that is to continue to grow its position as England's leading and largest winemaker, having completed in 2022 its first year as a business focused exclusively on wine, where the Board believes the greatest opportunity lies.

Already the leading brand in the English wine industry, Chapel Down will continue to lead the growth of the rapidly growing English wine market by building brand awareness in the United Kingdom and internationally, widening its distribution in both on-trade and off-trade channels, and further developing its strong direct-to-consumer business.

Chapel Down will continue to drive further gross margin expansion by maintaining the shift in sales mix towards higher margin sparkling wines, for which the Chapel Down brand is best known, and for which its location and assets on the North Downs in Kent are best suited. Net sales revenue growth at elevated gross margins will enable the Company to continue to invest in consumer and customer marketing and to support the premiumisation of the Chapel Down business and brand.

Alongside plans for a new purpose-built winery, following Admission, the Company will continue to explore opportunities to secure new acreage and develop an expanded tourism offering at the Tenterden brand home in order to accelerate future growth.

A DESCRIPTION OF ANY SIGNIFICANT CHANGE IN FINANCIAL OR TRADING POSITION OF THE APPLICANT, WHICH HAS OCCURRED SINCE THE END OF THE LAST FINANCIAL PERIOD FOR WHICH AUDITED STATEMENTS HAVE BEEN PUBLISHED:

Save as disclosed in Chapel Down's interim financial results for the six months ended 30 June 2023 and dated 27 September 2023, there has been no significant change in the financial or trading position of Chapel Down Group plc since 31 December 2022, being the end of the last financial period for which audited financial statements have been published.

A STATEMENT THAT THE DIRECTORS OF THE APPLICANT HAVE NO REASON TO BELIEVE THAT THE WORKING CAPITAL AVAILABLE TO IT OR ITS GROUP WILL BE INSUFFICIENT FOR AT LEAST TWELVE MONTHS FROM THE DATE OF ITS ADMISSION:

The Directors are of the opinion, having made due and careful enquiry that, after taking account of the bank and other financing facilities available to them, the Group will have sufficient working capital for its present requirements, that is, for at least the period of 12 months from the date of Admission.

DETAILS OF ANY LOCK-IN ARRANGEMENTS PURSUANT TO RULE 7 OF THE AIM RULES:

None

A BRIEF DESCRIPTION OF THE ARRANGEMENTS FOR SETTLING THE APPLICANT'S SECURITIES:

Settlement will continue to be through the CREST system for dealings in ordinary shares held in uncertificated form. Ordinary Shares can also be dealt in certificated form.

A WEBSITE ADDRESS DETAILING THE RIGHTS ATTACHING TO THE APPLICANT'S SECURITIES:

<https://chapeldown.com/pages/investors>

INFORMATION EQUIVALENT TO THAT REQUIRED FOR AN ADMISSION DOCUMENT WHICH IS NOT CURRENTLY PUBLIC:

The Appendix to this Schedule 1 contains, inter alia, information equivalent to that required for an Admission Document and which is not already public. On Admission, this will be sent to shareholders and will be available on the Company's website:
<https://chapeldown.com/pages/investors>

A WEBSITE ADDRESS OF A PAGE CONTAINING THE APPLICANT'S LATEST ANNUAL REPORT AND ACCOUNTS WHICH MUST HAVE A FINANCIAL YEAR END NOT MORE THEN NINE MONTHS PRIOR TO ADMISSION AND INTERIM RESULTS WHERE APPLICABLE. THE ACCOUNTS MUST BE PREPARED IN ACCORDANCE WITH ACCOUNTING STANDARDS PERMISSIBLE UNDER AIM RULE 19:

<https://chapeldown.com/pages/investors>

THE NUMBER OF EACH CLASS OF SECURITIES HELD IN TREASURY:

There are no shares held in treasury.