

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser. The whole of this Document should be read, but your attention is in particular drawn to the section entitled "Risk Factors" in Part II of this Document.

If you have sold or otherwise transferred all of your Existing Ordinary Shares prior to 6.00 p.m. on the Record Date, please immediately forward this Document, together with the accompanying Form of Proxy and, if relevant, the Application Form as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately and refer to the instructions regarding split applications in the Application Form (if relevant).

The distribution of this Document and any accompanying documents to jurisdictions other than the United Kingdom may be restricted by applicable laws or regulations and neither this Document nor the Application Form forms part of any offer or invitation to sell or issue or the solicitation of any offer to purchase or subscribe for New Ordinary Shares in any jurisdiction where such offer, invitation or solicitation is unlawful. Persons in jurisdictions other than the United Kingdom into whose possession this Document and/or any of the accompanying documents comes should inform themselves about and observe such applicable legal or regulatory requirements in such jurisdiction. Any failure to do so may constitute a violation of the securities laws of any such jurisdiction.

The total consideration under the Open Offer will be less than €8 million (or an equivalent amount in sterling) in aggregate and the New Ordinary Shares (other than the Open Offer Shares) will only be available to qualified investors for the purposes of the Prospectus Rules or otherwise in circumstances not resulting in an offer of transferable securities to the public under section 102B of FSMA. Neither the Conditional Placing, the Conditional Subscription nor the Open Offer constitutes an offer to the public requiring an approved prospectus under section 85 of FSMA and so this Document is not a prospectus for the purposes of the Prospectus Rules. Accordingly, this Document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom (in its capacity as the UK Listing Authority or otherwise) pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body and has not been approved for the purposes of section 21 of FSMA. Application will be made for the New Ordinary Shares to be admitted to trading on AIM. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

This Document does not comprise an admission document under the AIM Rules and neither the London Stock Exchange nor the UK Listing Authority has examined or approved the contents of this Document. This Document does not constitute a recommendation regarding securities of the Company. The AIM Rules are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the New Ordinary Shares to the Official List. The New Ordinary Shares will not be dealt on any other recognised investment exchange and no other such application will be made. Subject to certain conditions being satisfied, including the passing of the Resolutions at the General Meeting, it is anticipated that Admission will become effective and that dealings in the New Ordinary Shares will commence on AIM at 8.00 a.m. on 20 March 2019.

LightwaveRF plc

(incorporated and registered in England and Wales under number 06690180)

Conditional Placing and Conditional Subscription, Proposed Open Offer of up to 5,964,387 New Ordinary Shares at an issue price of 8.5 pence per share Approval of Waiver of Rule 9 of the City Code on Takeovers and Mergers and Notice of General Meeting

Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this Document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below and to the section headed "Risk Factors" in Part II of this Document. The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 18 March 2019. The procedure for application and payment for Qualifying Shareholders is set out in paragraph 3 of Part III of this Document, and, where relevant, in the Application Form being sent to Qualifying non-CREST Shareholders.

Notice of a General Meeting to be held at the offices of LightwaveRF plc, Innovation Birmingham Campus, Faraday Wharf, Holt Street, Birmingham B7 4BB at 11.00 a.m. on 19 March 2019 is set out at the end of this Document. To be valid, the accompanying Form of Proxy for use in connection with the meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Neville Registrars, by not later than 11.00 a.m. on 15 March 2019. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish. For full details on proxy appointments, see the notes to the Notice of General Meeting and the Form of Proxy.

Stockdale, which is authorised and regulated in the UK by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company in connection with the matters described in this Document and is not acting for any other persons in relation to the Transactions and Admission. Stockdale is acting exclusively for the Company and for no one else in relation to the contents of this Document and persons receiving this Document should note that Stockdale will not be responsible to anyone other than the Company for providing the protections afforded to clients of Stockdale or for advising any other person on the arrangements described in this Document. Stockdale has not authorised the contents of, or any part of, this Document and/or the Application Form and no liability whatsoever is accepted by Stockdale for the accuracy of any information or opinions contained in this Document and/or the Application Form or for the omission of any information. The responsibilities of Stockdale as the Company's nominated adviser and broker under the AIM Rules for Companies and the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director, Shareholder or any other person in respect of his decision to acquire shares in the capital of the Company in reliance on any part of this Document and/or the Application Form, or otherwise.

The New Ordinary Shares to be issued will, following their issue, rank *pari passu* with the Existing Ordinary Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company.

The New Ordinary Shares will not be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Australia, New Zealand, the Republic of Ireland, the Republic of South Africa or Japan, nor has any prospectus in relation to the New Ordinary Shares been lodged with or registered by the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exceptions, the New Ordinary Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into such jurisdictions. Overseas Holders and any person (including, without limitation, custodians, nominees and trustees) who have a contractual or other legal obligation to forward this Document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

IMPORTANT INFORMATION

The New Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, or under the applicable securities laws of any state or other jurisdiction of the United States or qualified for distribution under any applicable securities laws in any other Restricted Jurisdiction. The New Ordinary Shares may not be offered, sold, taken up, resold, transferred or delivered, directly or indirectly, within, into or in the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. The New Ordinary Shares are being offered and sold either: (i) outside the United States in offshore transactions within the meaning of, and in accordance with, the safe harbour from the registration requirements in Regulation S under the Securities Act; or (ii) in the United States in private placement transactions not involving any public offering in reliance on the exemption from the registration requirements of Section 5 of the Securities Act provided by Section 4(2) under the Securities Act or another applicable exemption therefrom. There will be no public offer of the New Ordinary Shares in the United States.

Stockdale makes no representation or warranty to any offeree or purchaser of the New Ordinary Shares regarding the legality of any investment in the securities by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his, her or its own advisers as to the legal, tax, business, financial and related aspects of a purchase of the New Ordinary Shares.

None of the New Ordinary Shares, the Application Form, this Document nor any other document connected with the Fundraising has been or will be approved or disapproved by the United States Securities and Exchange Commission or by the securities commissions of any state or other jurisdiction of the United States or any other regulatory authority, nor has any of the foregoing authorities or any securities commission passed upon or endorsed the merits of the offering of the New Ordinary Shares, the Application Form or the accuracy or adequacy of this Document or any other document connected with the Fundraising. Any representation to the contrary is a criminal offence.

Notwithstanding anything to the contrary herein, each prospective investor may disclose to any and all persons, without limitation of any kind, the US federal income tax treatment and tax structure of the Company and of the transactions contemplated by the Company. For this purpose, "tax structure" shall mean any fact that may be relevant to understanding the purported or claimed US federal tax treatment of the transaction; provided that none of the following shall for this purpose constitute tax treatment or tax structure information: the name of or other identifying information relating to the performance of the Company or its operations.

Not all Shareholders will be Qualifying Shareholders. Subject to certain exceptions, Shareholders in the United States or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any other Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form or otherwise be permitted to participate in the Fundraising. The attention of Overseas Shareholders is drawn to paragraph 6 of Part III of this Document.

The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 18 March 2019. The procedure for application and payment for Qualifying Shareholders is set out in paragraph 3 of Part III of this Document, and, where relevant, in the Application Form.

FORWARD LOOKING STATEMENTS

This Document may contain statements about LightwaveRF that are or may be "forward-looking statements". All statements, other than statements of historical facts, included in this Document may be forward-looking statements and are subject to, inter alia, the risk factors described in Part II of this Document. Without limitation, any statements preceded or followed by, or that include, the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates", "estimates", "projects", "would", "could", "continue", "potential" or words or terms of similar substance or the negative thereof, are forward-looking statements. These forward-looking statements include matters which are not facts. They appear in a number of places throughout this Document and include (without limitation) statements regarding the Directors' intentions, understanding, beliefs or current expectations concerning, among

other things, the Company's results of operations, financial condition, liquidity, prospects, growth and strategies. These forward-looking statements are not guarantees of future performance and have not been reviewed by the auditors of LightwaveRF. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules), LightwaveRF does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to LightwaveRF or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this Document are based on information available to the Directors at the date of this Document, unless some other time is specified in relation to them, and the posting or receipt of this Document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

Shareholders should not construe the contents of this Document as legal, tax or financial advice, and should consult with their own advisers as to the matters described herein.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2019

Record Date for entitlements under the Open Offer	6.00 p.m. on 28 February
Announcement of details of the Fundraising	28 February
Posting of this Document	1 March
Ex-entitlement date for the Open Offer	8.00 a.m. on 1 March
Basic Entitlements credited to stock accounts in CREST of Qualifying CREST Holders	4 March
Recommended latest time and date for requesting withdrawal of Basic Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 11 March
Recommended latest time and date for depositing Basic Entitlements and/or Excess Entitlements into CREST	3.00 p.m. on 12 March
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 14 March
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 15 March
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	11.00 a.m. on 18 March
Announcement of result of Open Offer	19 March
General Meeting	11.00 a.m. on 19 March
Announcement of result of General Meeting	19 March
Admission and commencement of dealings of the New Ordinary Shares	8.00 a.m. on 20 March
New Ordinary Shares credited to CREST stock accounts	8.00 a.m. on 20 March
Despatch of definitive share certificates for New Ordinary Shares	within 10 Business Days of Admission

Notes:

- (i) References to times in this Document are to London time (unless otherwise stated).
- (ii) If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement to an RIS.
- (iii) The timing of the events in the above timetable and in the rest of this Document is indicative only.
- (iv) In order to subscribe for Open Offer Shares, Qualifying Shareholders will need to follow the procedure set out in Part III of this Document and, where relevant, complete the accompanying Application Form. If Qualifying Shareholders have any queries on the procedure for acceptance and payment, or wish to request another Application Form, they should contact Neville Registrars on 0121 585 1131 or if calling from outside the UK on +44 121 585 1131, where relevant, quoting the allotment number of their Application Form. Calls to the Neville Registrars' help lines are charged at your provider's standard rates for national or, as the case may be, international calls. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Neville Registrars cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

KEY STATISTICS

Closing Price per Existing Ordinary Share on 28 February 2019	9.0 pence
Number of Qualifying Shares	71,572,647
Basic Entitlement under the Open Offer	1 Open Offer Share for every 12 Qualifying Shares
Issue Price	8.5 pence
Number of Open Offer Shares to be offered for subscription by Qualifying Shareholders	5,964,387
Expected proceeds of the Open Offer (before expenses)*	£0.5 million
Expected proceeds of the Fundraising (before expenses)*	£3.0 million
Enlarged Share Capital immediately following Admission*	106,948,814
Percentage of Enlarged Share Capital represented by the Open Offer Shares*	5.6 per cent.
Estimated net proceeds of the Fundraising*	up to £2.7 million
ISIN of the Basic Entitlement	GB00BJJQ2F06
ISIN of the Excess CREST Open Offer Entitlement	GB00BJJQ2G13

Notes:

* On the assumption that the Open Offer is fully subscribed.

PART I

LETTER FROM THE CHAIRMAN OF THE COMPANY

LightwaveRF plc

(incorporated and registered in England and Wales under number 06690180)

Directors:

Barry Gamble *Non-Executive Chairman*
Jason Elliott *Chief Executive Officer*
Kevin Edwards *Chief Financial Officer*
Steve Harris *Non-Executive Director*
Mike Lord *Non-Executive Director and Consultant*
John Shermer *Founder and Chief Technical Officer*

Registered Office:

Innovation Birmingham Campus
Faraday Wharf
Holt Street
Birmingham B7 4BB

1 March 2019

Dear Shareholder

**CONDITIONAL PLACING AND CONDITIONAL SUBSCRIPTION,
PROPOSED OPEN OFFER OF UP TO 5,964,387 NEW ORDINARY SHARES,
APPROVAL OF WAIVER OF RULE 9 OF THE CITY CODE ON TAKEOVERS AND MERGERS
AND
NOTICE OF GENERAL MEETING**

1. Introduction

Earlier today, the Company announced that it had raised, in aggregate, approximately £0.9 million before expenses by way of a firm placing of 4,373,222 new Ordinary Shares and a firm subscription of 6,346,678 new Ordinary Shares, both at 8.5 pence per share.

In addition, the Company announced that it had conditionally raised, in aggregate, approximately £1.58 million before expenses by way of a conditional placing of 7,097,280 new Ordinary Shares and a conditional subscription of 11,594,500 new Ordinary Shares, both at 8.5 pence per share.

The issue of the Conditional Placing Shares and the Conditional Subscription Shares is subject to the passing of the Resolutions at the General Meeting.

The Company also announced that it proposed to raise up to a further £0.5 million by way of an Open Offer to Qualifying Shareholders at 8.5 pence per share, subject to Shareholder approval, details of which are set out in this Document.

Committed Capital subscribed for 5,846,868 Ordinary Shares under the Firm Subscription and has also agreed to subscribe for 10,917,840 Ordinary Shares under the Conditional Subscription. It also intends to take up its Basic Entitlement under the Open Offer in full and to apply for all of the remaining Open Offer Shares using the Excess Application Facility. To the extent that applications are received in respect of more than 5,964,387 Open Offer Shares, in aggregate, excess applications will be scaled back accordingly. Applications for Excess Shares will be allocated in such manner as the Directors may determine in their absolute discretion.

Consequently, on completion of the Fundraising:

- (a) the Concert Party (which includes Committed Capital) will hold, in aggregate, up to 40,747,207 Ordinary Shares, representing approximately 38.10 per cent. of the Enlarged Share Capital (assuming that Committed Capital subscribes for all of the Open Offer Shares). Details of the Concert Party are set out in paragraph 6 of this Part I; and

- (b) CCFSL will hold, in aggregate, up to 34,662,181 Ordinary Shares, representing approximately 32.41 per cent. of the Enlarged Share Capital (assuming that CCFSL subscribes for 10,917,840 of the Conditional Subscription Shares and all of the Open Offer Shares).

Under Rule 9 of the Takeover Code, on completion of the Fundraising, the Concert Party and CCFSL would each normally be obliged to make a general offer to all Shareholders (other than the Concert Party or CCFSL (as the case may be)) to acquire all the Ordinary Shares not owned by the Concert Party or CCFSL (as the case may be). The Panel has agreed to waive these obligations subject to the approval (on a poll) of the Independent Shareholders of Resolution 1 to be proposed at the General Meeting. The Fundraising is therefore also subject to the approval of those resolutions by the Independent Shareholders. Your attention is drawn to paragraph 6 of this Part I which contains further information on the Takeover Code and the waiver of Rule 9 of the Takeover Code.

The Conditional Placing, the Conditional Subscription and the Open Offer are conditional, *inter alia*, upon Shareholders approving the Resolutions at the General Meeting that will grant the Directors the authority to allot the Conditional Placing Shares, the Conditional Subscription Shares and the Open Offer Shares and the power to disapply statutory pre-emption rights in respect of the Conditional Placing Shares, the Conditional Subscription Shares and the Open Offer Shares. The Resolutions are set out in the Notice of General Meeting at the end of this Document.

The purpose of this Document is to set out the background to and reasons for the Fundraising, to give details of each of the Conditional Placing, the Conditional Subscription and the Open Offer and to recommend that you vote in favour of each of the Resolutions required to be passed to implement them. The Fundraising is conditional upon, amongst other things, the passing of the Resolutions and is expected to complete on 20 March 2019, being the expected date of admission to trading on AIM of the New Ordinary Shares.

2. The Firm Placing and the Firm Subscription

On 28 February 2019, the Company announced details of the Firm Placing and the Firm Subscription of, in aggregate, 10,720,000 new Ordinary Shares with and by new and existing investors to raise approximately £0.91 million (before expenses). The Firm Placing and the Firm Subscription were within the Directors' existing authorities and therefore were not conditional upon the Resolutions being passed.

3,293,268 of the 5,846,868 Ordinary Shares subscribed by Committed Capital as part of the Firm Subscription have been issued, conditional upon their admission to trading on AIM (which is expected to become effective at 8.00 a.m. on 6 March 2019), in satisfaction of the Company's obligations under the Advance Subscription Agreement, further details of which are set out at paragraph 4.1(e) of Part VI of this Document.

Admission to trading on AIM of the Firm Placing Shares and the Firm Subscription Shares is expected to become effective and dealings are expected to commence therein at 8.00 a.m. on 6 March 2019.

3. Background to and reasons for the Fundraising

Since the Company's fundraising in 2017, the Company has made considerable progress on a number of fronts. However, for the reasons set out in the Company's audited final results for the year ended 30 September 2018, which were announced on 11 December 2018, revenue for the year ended 30 September 2018 was marginally below that reported in the previous year. Additionally, following its launch in the UK of the Apple HomeKit range, the Company accelerated the development of its European device range. As a consequence, these factors have together had a material impact on the level of the Company's monthly rate of cash burn.

Since the Company's appointment of Jason Elliott as Chief Executive in July 2018, its monthly revenue run rate has increased markedly with revenue in the first quarter of the year ending 30 September 2019 almost equalling that generated in the first half of the year ended 30 September 2018. The Board anticipates that this improved momentum will continue.

European compatible Apple HomeKit devices have recently been released in Apple stores in Belgium, France, Germany, Holland, Sweden, Austria, Denmark, Italy, Switzerland and Spain. Further devices for

Europe are in the final development stage. In addition, the Company has recently announced a partnership with Resideo, formerly part of the Honeywell group.

Following a number of excellent product endorsements, the Company is seeking to raise funds by way of the Fundraising to develop further its marketing and sales capabilities to build on the substantial progress now being made. Further investment in product development of the Apple HomeKit compatible Smart Series range will also be made.

4. Details of the Conditional Placing and the Conditional Subscription

The Conditional Placing

The Company has conditionally raised £0.60 million before expenses by the conditional placing of 7,097,280 Ordinary Shares at the Issue Price to Placees.

The Conditional Placing is conditional, *inter alia*, upon:

- (a) the passing of the Resolutions;
- (b) the Placing Agreement becoming or being declared unconditional in all respects and not having been terminated in accordance with its terms; and
- (c) Admission becoming effective by no later than 8.00 a.m. on 20 March 2019 or such later time and/or date (being no later than 8.00 a.m. on 29 March 2019) as Stockdale and the Company may agree.

If any of the conditions is not satisfied, the Conditional Placing Shares will not be issued.

The Conditional Placing Shares are not subject to clawback. The Conditional Placing is not being underwritten. The Conditional Placing Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

Application will be made to the London Stock Exchange for the admission of the Conditional Placing Shares to trading on AIM. It is expected that Admission will occur and that dealings will commence at 8.00 a.m. on 20 March 2019 (or such later date, being not later than 8.00 a.m. on 29 March 2019, as the Company and Stockdale may agree) at which time it is also expected that the Conditional Placing Shares will be enabled for settlement in CREST.

The Conditional Subscription

The Company has conditionally raised approximately £1.0 million before expenses by the conditional subscription of 11,594,500 Ordinary Shares at the Issue Price.

The Conditional Subscription is conditional, *inter alia*, upon:

- (a) the passing of the Resolutions; and
- (b) Admission becoming effective by no later than 8.00 a.m. on 20 March 2019, or such later time and/or date (being no later than 8.00 a.m. on 29 March 2019) as Stockdale and the Company may agree.

Committed Capital has agreed to subscribe for 10,917,840 Ordinary Shares under the Conditional Subscription.

If any of the conditions is not satisfied, the Conditional Subscription Shares will not be issued.

The Conditional Subscription Shares are not subject to clawback. The Conditional Subscription is not being underwritten. The Conditional Subscription Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

Application will be made to the London Stock Exchange for the admission of the Conditional Subscription Shares to trading on AIM. It is expected that Admission (other than in respect of the Deferred Settlement

Shares) will occur and that dealings will commence at 8.00 a.m. on 20 March 2019 (or such later date, being not later than 8.00 a.m. on 29 March 2019, as the Company and Stockdale may agree) at which time it is also expected that the Conditional Subscription Shares will be enabled for settlement in CREST.

The Company has agreed that settlement be deferred in respect of 10,917,840 new Ordinary Shares, forming part of the Conditional Subscription. Settlement of the Deferred Settlement Shares is expected by 6 April 2019 but in any event no later than 29 April 2019. As a result, these shares will be allotted no later than 29 April 2019 and dealings in these shares are expected to commence no later than 8.00 a.m. on 30 April 2019.

5. Details of the Open Offer

The Company is proposing to raise approximately £0.5 million (before expenses) pursuant to the Open Offer. The Open Offer Shares will be issued at the Issue Price.

The Open Offer is being made on a pre-emptive basis, allowing all Shareholders on the register as at 6.00 p.m. on 28 February 2019 the opportunity to participate.

The Open Offer provides Qualifying Shareholders with the opportunity to apply to acquire Open Offer Shares at the Issue Price pro rata to their holdings of Qualifying Shares as at the Record Date on the following basis:

1 Open Offer Share for every 12 Qualifying Shares

and so on in proportion to any other number of Qualifying Shares then held.

Entitlements to apply to acquire Open Offer Shares will be rounded down to the nearest whole number and any fractional entitlement to Open Offer Shares will be disregarded in calculating the Basic Entitlement.

Other than in the case of Committed Capital (but only to the extent permitted by the Rule 9 Waiver), applications for Basic Entitlements will be rejected if and to the extent that acceptance would result in the Qualifying Shareholder, together with those acting in concert with him/her/it for the purposes of the City Code, holding 30 per cent. or more of the Enlarged Share Capital immediately following Admission.

Qualifying Shareholders who do not take up any of their Basic Entitlements will experience a dilution to their interests of approximately 33 per cent. following completion of the Fundraising (assuming full subscription under the Open Offer).

The Open Offer is not being underwritten.

The Open Offer is conditional, *inter alia*, upon:

- (a) the passing of the Resolutions at the General Meeting (or any adjournment thereof); and
- (b) Admission becoming effective by 8.00 a.m. on 20 March 2019 (or such later time or date not being later than 8.00 a.m. on 29 March 2019 as Stockdale and the Company may agree).

If any of the conditions is not satisfied, the Open Offer Shares will not be issued.

The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

Committed Capital intends to subscribe for its Basic Entitlement under the Open Offer in full and to apply for all of the remaining Open Offer Shares using the Excess Application Facility, being, in aggregate, 5,964,387 Open Offer Shares. To the extent that applications are received in respect of more than 5,964,387 Open Offer Shares in aggregate, excess applications will be scaled back accordingly. Applications for Excess Shares will be allocated in such manner as the Directors may determine, in their absolute discretion.

Excess Applications

The Open Offer is structured to allow Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price pro rata to their holdings of Existing Ordinary Shares on the Record Date.

Qualifying Shareholders may also make applications in excess of their Basic Entitlements. To the extent that Basic Entitlements are not subscribed by Qualifying Shareholders, such Open Offer Shares will be available to satisfy such excess applications, subject to a maximum of 5,964,387 Open Offer Shares in aggregate. To the extent that applications are received in respect of more than 5,964,387 Open Offer Shares in aggregate, excess applications will be scaled back accordingly.

However, other than in the case of Committed Capital (but only to the extent permitted by the Rule 9 Waiver), excess applications will be rejected if and to the extent that acceptance would result in the Qualifying Shareholder, together with those acting in concert with him/her/it for the purposes of the City Code, holding 30 per cent. or more of the Enlarged Share Capital immediately following Admission.

Qualifying Shareholders should note that their applications under the Excess Application Facility will be allocated in such manner as the Directors may determine in their absolute discretion and no assurance can be given that an application for Excess Shares will be met in full or in part or at all. The Directors may determine in their absolute discretion not to accept any particular application under the Excess Application Facility.

Qualifying Shareholders should note that the Open Offer is not a rights issue. Qualifying non-CREST Holders should be aware that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should also be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer.

Settlement and dealings

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence at 8.00 a.m. on 20 March 2019. Further information in respect of settlement and dealings in the New Ordinary Shares is set out in paragraph 8 of Part III of this Document.

Overseas Shareholders

Certain Overseas Shareholders may not be permitted to subscribe for Open Offer Shares pursuant to the Open Offer and should refer to paragraph 6 of Part III of this Document.

CREST instructions

Application has been made for the Basic Entitlements for Qualifying CREST Holders to be admitted to CREST. It is expected that the Basic Entitlements will be admitted to CREST on 4 March 2019.

The Excess CREST Open Offer Entitlements will also be admitted to CREST on 4 March 2019. Applications through the CREST system may only be made by the Qualifying Holder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

If you are a Qualifying CREST Holder, no Application Form is enclosed with this Circular but you will receive a credit to your appropriate stock account in CREST in respect of your Basic Entitlement and if appropriate your Excess Entitlement. You should refer to the procedure for application set out in paragraph 3 of Part III of this Document. The relevant CREST instruction must have settled by no later than 11.00 a.m. on 18 March 2019.

Application Form

If you are a Qualifying non-CREST Holder, an Application Form which gives details of your Basic Entitlement under the Open Offer (as shown by the number of the Open Offer Shares allocated to you) is enclosed with this Circular. If you wish to apply for Open Offer Shares under the Open Offer, you should complete the accompanying Application Form in accordance with the procedure for application set out in paragraph 3 of Part III of this Document and on the Application Form itself. The completed Application Form, accompanied

by full payment, should be returned by post or by hand (during normal business hours only) to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD **so as to arrive as soon as possible and in any event no later than 11.00 a.m. on 18 March 2019.**

The latest time for applications under the Open Offer to be received is 11.00 a.m. on 18 March 2019. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your Basic Entitlement or have your Basic Entitlement credited to your stock account in CREST. **If you are in any doubt as to what action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

6. Dispensation from Rule 9 of the Takeover Code

The Takeover Code applies to the Company and governs, *inter alia*, transactions which may result in a change of control of a company to which the Takeover Code applies.

Rule 9 of the Takeover Code

Under Rule 9 of the Takeover Code, any person who acquires, whether by a series of transactions over a period of time or not, an interest (as defined in the Takeover Code) in shares which, taken together with shares in which he is already interested, or in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all the remaining Shareholders to acquire their shares.

Similarly, Rule 9 of the Takeover Code also provides that when any person, together with persons acting in concert with him, is interested in shares which, in aggregate, carry more than 30 per cent. of the voting rights of such company, but does not hold shares carrying 50 per cent. or more of such voting rights, a general offer will normally be required if any further interest in shares is acquired by any such person.

An offer under Rule 9 must be in cash and must be at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company in question during the 12 months prior to the announcement of the offer.

Concert Party

Description

Persons acting in concert include persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company.

Accordingly, the Concert Party is made up of Committed Capital Limited, CCFSL, Steve Harris, Timothy Steel, Else Thomson, Mark Blandford and Judy Welch, all of whom are presumed to be acting in concert under the Takeover Code.

Full details of, and information on, the members of the Concert Party who are presumed to be acting in concert for the purposes of the Takeover Code are set out below.

Committed Capital Limited is a private limited company registered in England and Wales with registered number 04479415 and whose registered office address is at 148-150 Buckingham Palace Road, London, England SW1W 9TR. It is the overall parent company of the Committed Capital group of companies and acts as the main operating company for that group. Committed Capital Limited is an Appointed Representative for FCA purposes, and undertakes any retail or alternative investment fund manager (AIFM) qualifying investment undertaken by its investors into investee companies. Such investments are held in investee companies using MNL Nominees Limited. In addition, Committed Capital Limited carries on non-regulated consulting advice, for example in relation to assisting investee companies to apply for EIS advance assurance, and reviewing EIS regulation compliance, general business advice and research and development ("R&D") tax credit assistance.

Committed Capital Limited's trading is in line with its current year forecasts; being the principal operating company it continues to review costs and ensure that they are competitive across the group. The retail fund management operations continue to grow gradually. Management expects that the approach of the end of the tax year will lead to an acceleration in investee company funding by retail investors and their independent financial advisers. As this fund develops and grows, Committed Capital's revenue is likely to show increased growth. Consulting revenues are also growing strongly as legislation around EIS compliance and R&D tax credits continues to become more stringent.

CCFSL is a private limited company registered in England and Wales with registered number 03810820 and whose registered office address is at 148-150 Buckingham Palace Road, London, England, SW1W 9TR. CCFSL is the main regulated entity for the Committed Capital group of companies and is authorised by the FCA. Its main business is corporate finance and advisory work as well as fund management of professional investor funds. Investments made by such investors are held through Mainspring Nominees (8) Limited.

During the current year to date, CCFSL's business has developed strongly, and the management continues to expect significant growth of funds under management, and hence revenues. The business is likely to increase headcount in the next 12 months, to meet resource requirements and increased business. As a group, Committed Capital expects total funds under management to approximately double during the current financial year and it has a good pipeline of further investments and new investee companies to meet investment demand.

Committed Capital Limited has an interest in 238,912 Ordinary Shares, representing 0.33 per cent. of the Existing Ordinary Shares, which are legally held by MNL Nominees Limited, a Committed Capital nominee company.

CCFSL has an interest in 14,478,422 Ordinary Shares, representing 20.23 per cent. of the Existing Ordinary Shares, which are legally held by Mainspring Nominees (8) Limited, a Committed Capital nominee company.

Steve Harris is a director of Committed Capital Limited, CCFSL and the Company. He is interested in 65,760,000 ordinary shares in the capital of Committed Capital Limited, which represents 44.67 per cent. of its issued share capital.

Timothy Steel is a director of Committed Capital Limited. He is interested in 11,721,102 ordinary shares in the capital of Committed Capital Limited, which represents 7.96 per cent. of its issued share capital.

Else Thomson is a director of Committed Capital Limited and CCFSL. She is interested in 12,500 Ordinary Shares, representing approximately 0.02 per cent. of the Existing Ordinary Shares which are legally held in her own name.

Mark Blandford is a member of Committed Capital's Advisory Board. He is interested in 12,837,096 ordinary shares in the capital of Committed Capital Limited, which represents 8.72 per cent. of its issued share capital. Mark Blandford also has a beneficial interest in 2,134,434 Ordinary Shares, representing 2.98 per cent. of the Existing Ordinary Shares, which are legally held by Mainspring Nominees (8) Limited, a Committed Capital nominee company. Mark Blandford also has a beneficial interest in a further 1,000,000 Ordinary Shares, which are legally held by Rockridge Investments S A, a company wholly owned by Mark Blandford.

Judy Welch is a senior consultant to Committed Capital. Together with her family, she is interested in 21,920,211 ordinary shares in the capital of Committed Capital Limited, which represents 14.89 per cent. of its issued share capital. Judy Welch and her family also have a beneficial interest in 153,844 Ordinary Shares, representing 0.21 per cent. of the Existing Ordinary Shares, which are legally held by Mainspring Nominees (8) Limited, a Committed Capital nominee company.

Under the Takeover Code, the directors of a company are presumed to be acting in concert with the company of which they are a director. The Takeover Panel has also confirmed that it considers Mark Blandford and Judy Welch to be acting in concert with Committed Capital on the basis of their respective shareholdings and roles in Committed Capital. Accordingly, for the purposes of the Takeover Code, Committed Capital is presumed to be acting in concert with the above individuals, who together form the Concert Party.

The Concert Party will not be restricted from making an offer for the Company.

Maximum Controlling Position

Immediately following Admission, the Concert Party will hold, in aggregate, up to 40,747,207 Ordinary Shares, representing approximately 38.10 per cent. of the Enlarged Share Capital assuming Committed Capital subscribes for all of the Open Offer Shares. The Concert Party's acquisition of New Ordinary Shares would, without a waiver of the obligations under Rule 9 of the Takeover Code, oblige the Concert Party to make a general offer for the Company under Rule 9 of the Takeover Code.

The following table sets out the Concert Party's shareholdings in the Company (i) as at the date of this Document, (ii) following the Firm Placing and Firm Subscription and (iii) on Admission.

<i>Concert Party Member</i>	<i>Total No. of Existing Ordinary Shares</i>	<i>Percentage of Issued Share Capital</i>	<i>Max No. of Ordinary Shares following Firm Placing and Firm Subscription</i>	<i>Percentage of Enlarged Share Capital following Firm Placing and Firm Subscription</i>	<i>Max No. of Ordinary Shares following Admission[^]</i>	<i>Percentage of Enlarged Share Capital following Admission[^]</i>
Committed Capital Limited	238,912*	0.33%	1,193,893	1.45%	1,193,893	1.12%
Committed Capital Financial Services Limited	14,478,422**	20.23%	18,368,194	22.32%	34,662,181	32.41%
Steve Harris	–	–	–	–	–	–
Timothy Steel	–	–	–	–	–	–
Mark Blandford	3,134,434***	4.38%	3,986,222	4.84%	4,574,462	4.28%
Judy Welch	153,844****	0.21%	284,563	0.35%	284,563	0.27%
Else Thomson	12,500	0.02%	32,108	0.04%	32,108	0.03%
Total	18,018,112	25.17%	23,864,980	29.00%	40,747,207	38.10%

[^] Assumes Committed Capital subscribes for all of the Open Offer Shares.

* Legally held by MNL Nominees Limited, a Committed Capital nominee company.

** Legally held by Mainspring Nominees (8) Limited, a Committed Capital nominee company.

*** Of which 1,000,000 Existing Ordinary Shares are legally held by Rockridge Investments S A, a company wholly owned by Mark Blandford and 2,134,434 Existing Ordinary Shares are legally held by Mainspring Nominees (8) Limited, a Committed Capital nominee company.

**** These Existing Ordinary Shares are legally held by Mainspring Nominees (8) Limited, a Committed Capital nominee company, in equal proportions on behalf of Judy Welch's four children.

CCFSL

Immediately following Admission, CCFSL will hold, in aggregate, 34,662,181 Ordinary Shares, representing approximately 32.41 per cent. of the Enlarged Share Capital assuming CCFSL subscribes for 3,889,772 Firm Subscription Shares, 10,329,600 Conditional Subscription Shares and all of the Open Offer Shares. CCFSL's acquisition of New Ordinary Shares would, without a waiver of the obligations under Rule 9 of the Takeover Code, oblige CCFSL to make a general offer for the Company under Rule 9 of the Takeover Code.

The following table sets out CCFSL's shareholdings in the Company (i) as at the date of this Document, (ii) following the Firm Placing and Firm Subscription and (iii) on Admission.

<i>Concert Party Member</i>	<i>Total No. of Existing Ordinary Shares</i>	<i>Percentage of Issued Share Capital</i>	<i>Max No. of Ordinary Shares following Firm Placing and Firm Subscription</i>	<i>Percentage of Enlarged Share Capital following Firm Placing and Firm Subscription</i>	<i>Max No. of Ordinary Shares following Admission[^]</i>	<i>Percentage of Enlarged Share Capital following Admission[^]</i>
Committed Capital Financial Services Limited	14,478,422*	20.23%	18,368,194	22.32%	34,662,181	32.41%
Total	14,478,422	20.23%	18,368,194	22.32%	34,662,181	32.41%

[^] Assumes CCFSL subscribes for 3,889,772 Firm Subscription Shares, 10,329,600 Conditional Subscription Shares and all of the Open Offer Shares.

* Legally held by Mainspring Nominees (8) Limited, a Committed Capital nominee company.

CCFSL will not be restricted from making an offer for the Company.

Waiver of Rule 9 of the Takeover Code

Concert Party

The Company has applied to the Panel for a waiver of Rule 9 of the Takeover Code in order to permit members of the Concert Party to subscribe for, in aggregate, 10,917,840 Conditional Subscription Shares under the Conditional Subscription and to permit Committed Capital (as a member of the Concert Party) to subscribe for all of the Open Offer Shares under the Open Offer, being 5,964,387 Open Offer Shares, without triggering an obligation on the part of the Concert Party to make a general offer for the Company. The Panel has agreed, subject to Resolution 1 at the General Meeting being passed on a poll of Independent Shareholders, to waive the requirement for the Concert Party to make a general offer to all Shareholders where such an obligation would arise as a result of members of the Concert Party subscribing for New Ordinary Shares under the Conditional Subscription and as a result of Committed Capital subscribing for its Basic Entitlement under the Open Offer in full and applying for all of the remaining Open Offer Shares using the Excess Application Facility.

In the event that the waiver by the Panel is approved by Independent Shareholders passing Resolution 1 at the General Meeting, the Concert Party may hold between 30 per cent. and 50 per cent. of the Enlarged Share Capital following completion of the Transactions. Under Rule 9.1 of the Takeover Code, any further acquisition of Ordinary Shares carrying voting rights by the Concert Party in excess of what has been permitted by the Rule 9 Waiver will trigger a mandatory offer for the Company.

In addition, the Concert Party will not be restricted from making an offer for the Company unless the Concert Party either makes a statement that it does not intend to make an offer or enters into an agreement with the Company not to make an offer. No such statement has been made or agreement entered into as at the date of this Document.

CCFSL

The Company has applied to the Panel for a waiver of Rule 9 of the Takeover Code in order to CCFSL to subscribe for, in aggregate, 10,329,600 Conditional Subscription Shares under the Conditional Subscription and for all of the Open Offer Shares under the Open Offer, being 5,964,387 Open Offer Shares, without triggering an obligation on the part of CCFSL to make a general offer for the Company. The Panel has agreed, subject to Resolution 1 at the General Meeting being passed on a poll of Independent Shareholders, to waive the requirement for CCFSL to make a general offer to all Shareholders where such an obligation would arise as a result of CCFSL subscribing for New Ordinary Shares under the Conditional Subscription and for its Basic Entitlement under the Open Offer in full and applying for all of the remaining Open Offer Shares using the Excess Application Facility.

In the event that the waiver by the Panel is approved by Independent Shareholders passing Resolution 1 at the General Meeting, CCFSL may hold between 30 per cent. and 50 per cent. of the Enlarged Share Capital following completion of the Transactions. Under Rule 9.1 of the Takeover Code, any further acquisition of Ordinary Shares carrying voting rights by CCFSL in excess of what has been permitted by the Rule 9 Waiver will trigger a mandatory offer for the Company.

In addition, CCFSL will not be restricted from making an offer for the Company unless CCFSL either makes a statement that it does not intend to make an offer or enters into an agreement with the Company not to make an offer. No such statement has been made or agreement entered into as at the date of this Document.

Intentions of the Concert Party and CCFSL

Following completion of the Transactions, the Company's business will be continued in the same manner as it is at present. The Concert Party and CCFSL have each confirmed that they have no intention to change the Company's current plans with respect to: (i) the Company's future business (including the Company's intentions for its research and development functions), (ii) the continued employment of the employees and management of the Company, including any material change in conditions of employment or in the balance of the skills and functions of the employees and management; (iii) its strategic plans for the Company, or their likely repercussions on employment or the locations of the Company's places of business, including on the location of the Company's headquarters and headquarters functions; (iv) employer contributions into any pension scheme(s), the accrual of benefits for existing members, or the admission of new members; (v) the redeployment of the fixed assets of the Company; or (vi) maintenance of the Company's trading facility for the Ordinary Shares.

Following completion of the Transactions, Committed Capital's business will be continued in the same manner as it is at present. Committed Capital has confirmed that it has no intention to change its current plans with respect to: (i) the continued employment of its employees and management, including any material change in conditions of employment or in the balance of the skills and functions of such employees and management; and/or (ii) its strategic plans for itself, or their likely repercussions on employment or the locations of Committed Capital's places of business, including on the location of its headquarters and headquarters functions.

Following completion of the Transactions, CCFSL's business will be continued in the same manner as it is at present. CCFSL has confirmed that it has no intention to change its current plans with respect to: (i) the continued employment of its employees and management, including any material change in conditions of employment or in the balance of the skills and functions of such employees and management; and/or (ii) its strategic plans for itself, or their likely repercussions on employment or the locations of CCFSL's places of business, including on the location of its headquarters and headquarters functions.

Relationship agreement

Given the increase in Committed Capital's shareholding, the Company and Committed Capital have entered into a relationship agreement to regulate the relationship between the Company and Committed Capital following Admission. Further details of the relationship agreement are set out at paragraph 4.1(c) of Part VI of this Document.

7. Use of net proceeds

The net proceeds of the Fundraising are expected to be approximately £2.7 million. It is proposed that such proceeds will be used to continue to scale the Group's business, expand sales and marketing, execute on obligations in Europe and provide working capital.

8. Placing Agreement

Under a placing agreement entered into between the Company and Stockdale, Stockdale has conditionally agreed to act as placing agent to the Company and to use reasonable endeavours to procure Placees to subscribe for the Firm Placing Shares and the Conditional Placing Shares at the Issue Price.

The Placing Agreement sets out the conditions relating to the Firm Placing and the Conditional Placing.

The Conditional Placing is conditional upon (amongst other things) the satisfaction of the following conditions:

- (a) Admission taking place no later than 8.00 a.m. on 20 March 2019 (or such later time and/or date as the Company and Stockdale may agree being no later than 29 March 2019);
- (b) there being no breach of warranty in the Placing Agreement prior to Admission;
- (c) the performance by the Company of its obligations under the Placing Agreement and/or other terms of or conditions to the Conditional Placing prior to Admission; and
- (d) the passing of the Resolutions at the General Meeting.

The Placing Agreement contains certain customary warranties from the Company in favour of Stockdale in relation to, *inter alia*, the accuracy of the information contained in this Document and certain other matters relating to the Group and its business. In addition, the Company has given certain undertakings to Stockdale and has agreed to indemnify Stockdale in relation to certain customary liabilities they may incur in respect of the Transactions. Stockdale has the right to terminate the Placing Agreement in certain circumstances prior to Admission including, *inter alia*: (i) for certain force majeure events or other events involving certain material adverse changes or prospective material adverse changes relating to the Group; or (ii) in the event of a breach of the warranties or other obligations of the Company set out in the Placing Agreement.

Under the Placing Agreement the Company has agreed to pay certain fees and commissions to Stockdale and certain other costs and expenses in connection with the Transactions and Admission.

9. Related Party Transactions

Committed Capital (excluding subscriptions by other Concert Party members) has agreed to subscribe for 4,844,753 Firm Subscription Shares and 10,329,600 Conditional Subscription Shares. It also intends to subscribe for its Basic Entitlement under the Open Offer in full and to apply for all of the remaining Open Offer Shares using the Excess Application Facility. As at the date of this Document, Committed Capital holds 14,717,334 Existing Ordinary Shares representing approximately 20.56 per cent. of the Existing Ordinary Shares. As such, Committed Capital is a substantial shareholder of the Company and its participation in the Firm Subscription and the Conditional Subscription and its subscription for its Basic Entitlement under the Open Offer and all of the remaining Open Offer Shares using the Excess Application Facility are related party transactions pursuant to AIM Rule 13 of the AIM Rules.

In addition, Unicorn Asset Management Limited has agreed to subscribe for 2,499,040 Firm Placing Shares and 3,383,310 Conditional Placing Shares. As at the date of this Document, Unicorn Asset Management Limited holds 10,725,917 Existing Ordinary Shares representing approximately 14.99 per cent. of the Existing Ordinary Shares. As such, Unicorn Asset Management Limited is a substantial shareholder of the Company and its participation in the Firm Placing and the Conditional Placing is a related party transaction pursuant to AIM Rule 13 of the AIM Rules.

The Directors (other than Steve Harris, a Non-Executive Director of the Company, who is also the Chief Executive Officer of Committed Capital) consider, having consulted with the Company's nominated adviser, Stockdale, that the terms of Committed Capital's participation in the Firm Subscription, Conditional Subscription and its subscription for its Basic Entitlement and its subscription for all of the remaining Open Offer Shares under the Excess Application Facility under the Open Offer are fair and reasonable insofar as the Shareholders are concerned.

The Directors (other than Steve Harris) consider, having consulted with the Company's nominated adviser, Stockdale, that the terms of Unicorn Asset Management Limited's participation in the Firm Placing and the Conditional Placing are fair and reasonable insofar as the Shareholders are concerned.

Immediately following Admission (and assuming the Resolutions are passed), Committed Capital will hold 35,856,074 Ordinary Shares, representing approximately 33.53 per cent. of the Enlarged Share Capital and Unicorn Asset Management Limited will hold 16,608,267 Ordinary Shares, representing approximately 15.53 per cent. of the Enlarged Share Capital.

10. Current trading

On 4 January 2019, the Company announced a trading update for the three months ended 31 December 2018, being the first quarter of its financial year ending 30 September 2019, the contents of which are set out below:

“LightwaveRF plc (“LightwaveRF”, “Lightwave” or the “Company”), the leading smart home solutions provider, announces the following trading update for the three months ended 31 December 2018, being the first quarter of its financial year ending 30 September 2019 (“Q1 2019”).

- Revenue increased by 156 per cent. to £1.15 million (Q1 2018: £0.45 million) of which:
 - Telesales revenue increased by 46 per cent. to £229,000 (Q1 2018: £156,600); and
 - E-commerce revenue increased by 506 per cent. to £291,000 (Q1 2018: £48,000)
- Record E-commerce Black Friday week performance, which ran from 19 to 26 November 2018, with sales of £130,000 (2017: £5,000)

Following the improvements made last year to its sales and marketing strategies, the Company increased its revenue run rate by 50 per cent. in the final quarter of the financial year ended 30 September 2018, compared to the average over the previous three quarters. This momentum continued into Q1 2019, with revenue increasing by 156 per cent. to £1.15 million compared to the corresponding quarter last financial year, which reflects the strength and breadth of the Company’s product offerings and growing brand loyalty.

Jason Elliott, Chief Executive of Lightwave, commented:

“Having delivered a number of process improvements over the past six months to drive revenue growth, the Company is encouraged by what it has achieved in Q1 2019, almost equalling the £1.17 million generated during H1 2018.

“Lightwave’s retailer and distributor relationships and requisite marketing initiatives are now substantially expanded. I am confident that we can maintain this momentum by focusing on the channels and products, such as our lighting range, that are performing well.”

11. EIS and VCT Status

The Company has received EIS advance assurance from HMRC that HMRC would be able to authorise the Company to issue compliance certificates under section 204(1) of the Income Tax Act 2007 in respect of the Firm Placing Shares, the Firm Subscription Shares and the New Ordinary Shares. The Company has not received any advance assurance from HMRC as regards whether the Firm Placing Shares, the Firm Subscription Shares and the New Ordinary Shares will be capable of being a “qualifying holding” for the purposes of investment by VCTs. If the Company carries on activities beyond those disclosed to HMRC, then Shareholders may cease to qualify for the tax benefits. Neither the Company, the Directors nor any of the Company’s advisers give any warranty, undertaking or other assurance that any tax reliefs will continue to be available and not withdrawn at a later date. The actual availability of EIS relief and qualifying status for VCT purposes would be contingent upon certain conditions being met by both the Company and the relevant investors.

Shareholders and proposed investors must take their own professional advice in order that they may fully understand how the relief legislation may apply in their individual circumstances and rely on it.

12. General Meeting

You will find set out at the end of this Document a notice convening the General Meeting to be held at the offices of LightwaveRF, Innovation Birmingham Campus, Faraday Wharf, Holt Street, Birmingham B7 4BB at 11.00 a.m. on 19 March 2019 at which the following resolutions will be proposed as ordinary or special resolutions as indicated below:

- (a) to approve the Rule 9 Waiver (ordinary resolution);
- (b) to authorise the Directors to allot the New Ordinary Shares for the purposes of the Conditional Placing, the Conditional Subscription and the Open Offer (ordinary resolution); and

- (c) to waive the statutory pre-emption rights in respect of the allotment of equity securities pursuant to the Conditional Placing, the Conditional Subscription and the Open Offer (special resolution).

Resolution 1 seeks Independent Shareholders' approval, as explained in paragraph 6 above, of a waiver of the obligations that could arise for the Concert Party (individually or collectively) to make a general offer for the entire issued share capital of the Company that it does not already own as a result of:

- (a) any member of the Concert Party participating in the Conditional Subscription;
- (b) Committed Capital subscribing for its Basic Entitlement under the Open Offer in full; and
- (c) Committed Capital applying for all of the remaining Open Offer Shares using the Excess Application Facility.

This resolution will need to be approved by way of a poll of Independent Shareholders.

Resolution 2 authorises the Directors to allot the Conditional Placing Shares, the Conditional Subscription Shares and the Open Offer Shares in accordance with section 551 of the Act. The authority granted by the resolution will expire on 30 June 2019.

Resolution 3 will give the Directors power, pursuant to the authority to allot granted by Resolution 2, to allot the Conditional Placing Shares, the Conditional Subscription Shares and the Open Offer Shares for cash otherwise than on a pre-emptive basis to the Company's Shareholders. The authority granted by the resolution will expire on 30 June 2019.

13. Action to be taken in respect of the General Meeting

Shareholders will find accompanying this Document a Form of Proxy for use in connection with the General Meeting. The Form of Proxy should be completed and returned in accordance with the instructions thereon so as to be received by Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD as soon as possible and in any event not later 11.00 a.m. on 15 March 2019. Completion and return of the Form of Proxy will not prevent a Shareholder from attending and voting at the General Meeting should he/she/it so wish.

14. Intentions of Directors and Committed Capital in relation to the Open Offer

None of the Directors currently intends to subscribe for his Basic Entitlement under the Open Offer.

Committed Capital has indicated its intention to subscribe for its Basic Entitlement under the Open Offer in full and to apply for all of the remaining Open Offer Shares using the Excess Application Facility, being, in aggregate, 5,964,387 Open Offer Shares.

15. Additional information

Your attention is drawn to the risk factors set out in Part II of this Document as well as the financial information on the Company and Committed Capital in Parts IV and V of this Document and the additional information set out in Part VI of this Document. Shareholders are advised to read the whole of this Document and not rely solely on the summary information presented in this letter.

Details of the actions to be taken if you wish to subscribe for Open Offer Shares are provided in paragraph 3 of Part III of this Document.

16. Recommendation

The Independent Directors, who have been so advised by Stockdale, believe that the Conditional Placing, the Conditional Subscription, the Open Offer and the Rule 9 Waiver are in the best interests of the Company and its Independent Shareholders as a whole. Accordingly, the Independent Directors unanimously recommend Shareholders to vote in favour of the Resolutions as they intend so to do in respect of their beneficial shareholdings amounting to, in aggregate, 3,685,423 Ordinary Shares, representing approximately 5.15 per cent. of the Existing Ordinary Shares.

Yours faithfully

Barry Gamble
Chairman

PART II

RISK FACTORS

Investors should be aware of the risks associated with an investment in the Company. An investment in the Company may not be suitable for all recipients of this Document. Investors are therefore strongly recommended to consult an investment adviser under the FSMA, who specialises in advising on this type of investment.

A prospective investor should carefully consider whether an investment in the Company is suitable in the light of their personal circumstances and the financial resources available to them.

Accordingly, when evaluating whether to invest in the Company, prospective investors should carefully consider the risks described below. If any of the following risks were to materialise, the Company's business, financial condition, results, prospects and/or future operations could be materially adversely affected. In such case, the market price of the Company's shares might decline and an investor might lose all or part of his investment. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have a material adverse effect upon the Company. No inference ought to be drawn from the order in which the following risk factors are presented as to their relative importance or potential effect.

1. Risks relating specifically to the Company

Trading

The Company's trading expectations are based on assumptions which the Directors consider to be reasonable, but which are inherently subject to variation and uncertainty. There can be no assurance or guarantee that any element of those plans will be fulfilled, that the outcome of the Company's strategy will be achieved or that the Company will achieve revenue or be profitable.

Reliance on software

The Company's business is reliant on the efficient operation of software which has been specifically developed for the home automation market. The ability of such software to function properly depends upon the Company's ability to protect its network infrastructure, computer equipment and customer files against damage from human error, various natural disasters, power loss, denial of service, security breach and other systems failures. However, despite measures taken by the Company, such as multi-site cloud based data storage and open standard authorisation the occurrence of a natural disaster or other unanticipated problems could result in a loss of customer information or other data integral to the Company's business and/or lead to a material interruption to such business.

Competition

There are a number of companies that operate in the Company's market which are in direct competition with the Company. Competitors may have greater research, development, marketing, financial and personnel resources than the Company. Competitors may develop a technology that is more effective or economically viable than those developed by the Company. This could have a negative impact on the Company's results or operations and/or financial condition.

Management of growth

The Company's growth plans will place additional demand on its management, customer support, marketing and administrative resources. If the Company is unable to manage its growth effectively, its business, operations or financial condition may deteriorate.

Disruption to the supply chain

The Company's products are currently manufactured in Asia, mainland Europe and the UK. Disruption or loss of manufacturing or transport capacity may affect the Company's ability to source its products in a timely fashion or at the same prices.

Currency risk

The Company reports its results in sterling, whilst some of its costs and revenues will be denominated in currencies outside of its reporting currency. Adverse movements in exchange rates may result in additions to the Company's reported costs or reductions in the Company's reported revenues.

Loss of key personnel

The Company's performance is dependent upon the continued services and the performance of the executive Directors and other key personnel. The loss of the services of any of the executive Directors or key personnel could have a material adverse effect upon the Company's future.

Data protection issues

Failure to comply with data protection legislation may leave it open to criminal and civil sanctions. In addition, unauthorised access to LightwaveRF's customer data could lead to reputational damage and loss of customer confidence in LightwaveRF which could therefore impair the volume of sales achieved by the Company.

Technological change

In order to compete effectively, the Company must keep up with rapid technological changes and changes in its customers' requirements and preferences. The technology industry is characterised by rapid changes and evolving industry standards. Customers constantly demand more sophisticated products and services and customer preferences change rapidly. To remain competitive, the Company must continue to innovate, further enhancing and improving the responsiveness, functionality, accessibility and other features of its products. The success of the Company depends on its ability to anticipate and respond to technological changes and customer preferences in a timely and cost-effective manner. The Directors believe that the Company is well placed to respond to these challenges, however, there can be no assurance that the Company will be able to anticipate effectively and respond to technological changes and customer preferences in the future. Failure to do so could have a material adverse effect on the Company's business and operating results.

Ability to recruit and retain skilled personnel

The ability to continue to attract and retain employees with the appropriate qualifications, expertise and skills cannot be guaranteed. If the Company is unable to hire and retain such personnel in a timely manner, the ability to sell its products and otherwise to grow its business will be impaired which may have a detrimental effect upon the performance of the Company.

Intellectual Property & Patents

The Directors regard the intellectual property rights ("IPR") that resides within the Company as a significant element contributing to its future success. The Company could incur substantial costs in defending or bringing a claim in relation to IPR, whether or not any such claim is successful. The Company could also spend significant sums in relation to any damages, re-branding or redesign services as a result of IPR disputes. The Company's involvement in IPR disputes may also distract the management's attention from the operation of the business. A successful claim for infringement against the Company, its failure to bring a successful IPR claim against a third party or its failure or inability to licence or develop infringed IPR on acceptable terms and on a timely basis, could harm the Company's business, operating results and financial performance.

No assurance is given that the Company will develop IPR which is capable of being protected or that any protection gained will be sufficiently broad in its scope to protect the Company's IPR and exclude competitors from similar IPR. There can be no assurance that the validity or scope of any IPR used or owned by the Company will not be questioned or asserted by other parties or that a third party will not claim prior rights in relation to IPR used by the Company.

The Company anticipates that it will operate in several countries. The judicial institutions making determinations on IPR in these countries could reach decisions about the rights of the Company to use certain IPR which are inconsistent or conflicting with decisions in other countries. Any such adverse decisions could materially harm the Company's business, operating results and/or financial performance.

Insurance

There can be no certainty that the Company's insurance cover is adequate to protect against every eventuality. The occurrence of an event for which the Company did not have adequate insurance cover could have a materially adverse effect on the Company's business, revenue, financial condition, profitability, prospects and results of operations.

2. General industry risks

General economic conditions

Market conditions may affect the value of the Company's share price regardless of operating performance. The Company could be affected by unforeseen events outside its control, including natural disasters, terrorist attacks and political unrest and/or government legislation or policy in the UK and abroad. General economic conditions may affect interest rates and inflation rates. Movements in these rates will have an impact on the Company's cost of raising and maintaining debt financing. Similarly, general economic conditions will impact on the Company's customers, impacting on the Company's ability to win new business and the potential recoverability of amounts owed.

A more prolonged economic downturn may lead to an overall decline in the volume of the Company's revenues, restricting the Company's ability to realise a profit. The markets in which the Company offers its products and services are directly affected by many national and international factors that are beyond the Company's control.

Taxation

Any change in the Company's tax status or in taxation legislation could affect the Company's ability to provide returns to Shareholders. Any statements in this Document concerning the taxation of investors in Ordinary Shares are based on current UK tax law and practice which is subject to change. The taxation of an investment in the Company depends on the individual circumstances of investors.

Brexit risk

On 23 June 2016, the United Kingdom held a referendum on the United Kingdom's continued membership of the European Union. This resulted in a vote for the United Kingdom to exit the European Union. There are significant uncertainties in relation to the terms and the timeframe within which such an exit would be effected, and there are significant uncertainties as to what the impact will be on the fiscal, monetary and regulatory landscape in the UK, including *inter alia*, the UK's tax system, the conduct of cross-border business and export and import tariffs. There is also uncertainty in relation to how, when and to what extent these developments will impact on the economy in the United Kingdom and the future growth of its various industries and on levels of investor activity and confidence, on market performance and on exchange rates. There is also a risk that the vote by the United Kingdom to leave could result in other member states re-considering their respective membership of the European Union. Although it is not possible to predict fully the effects of the exit of the United Kingdom from the European Union, any of these risks, taken singularly or in the aggregate, could have a material adverse effect on the Company's business, revenue, financial condition, profitability, prospects and results of operations.

3. Risks relating to an investment in Ordinary Shares

Dilution

Regardless of whether a Qualifying Shareholder takes up his/her/its entitlements under the Open Offer, the effect of the Conditional Placing and Conditional Subscription will be a reduction of his/her/its proportionate ownership and voting interests in LightwaveRF (unless a Shareholder applies for and obtains Excess Shares under the Open Offer). Shareholders will experience greater dilution in their ownership of, and voting interests in, the Company to the extent they do not subscribe in full for their Basic Entitlements and/or Excess Entitlement. Those Shareholders in a Restricted Jurisdiction, subject to certain exceptions, will in any event not be able to participate in the Open Offer. Shareholders should note that their holdings and voting interest in the Company will be reduced, whether or not they elect to participate in the Open Offer, as a result of the Conditional Placing and the Conditional Subscription.

Realisation of investment

Potential investors should be aware that the value of shares and income from these shares can go down as well as up and that Admission should not be taken as implying that there will be a liquid market in the Ordinary Shares. An investment in the New Ordinary Shares and/or the Open Offer Shares may thus be difficult to realise.

Investment risk and AIM

Application will be made for the Open Offer Shares to be admitted to trading on AIM and it is emphasised that no application is being made for admission of the Open Offer Shares to the Official List or to any other stock exchange at this time. An investment in shares quoted on AIM may be less liquid and may carry a higher risk than an investment in shares quoted on the Official List. The rules of AIM are less demanding than those of the Official List. Furthermore, the London Stock Exchange has not itself examined or approved the contents of this Document. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

Market for the Company's shares and volatility of share price

Prospective investors should be aware that the value of an investment in the Company may go down as well as up. In addition, the Company can give no assurance that an active trading market for its shares will develop, or if developed, be sustained in the future. If an active trading market is not developed or maintained, the liquidity and trading price of the Company's shares could be adversely affected. Furthermore, the trading price of the Company's shares may not reflect the underlying value of the investments held by the Company and may be subject to wide fluctuations in response to a number of events and factors, such as variations in operating results, the timing of investments, changes in the regulatory environment and stock market sentiment towards investment companies.

Dilution of shareholders' interest as a result of additional equity fundraising

The Company's stated strategy includes growth by acquisition. The Company may need to raise additional funds in the future to finance, amongst other things, working capital, expansion of the business, new developments relating to existing operations or acquisitions. If additional funds are raised through the issue of new equity or equity-linked securities of the Company, other than on a pro rata basis to existing Shareholders, the percentage ownership of the existing Shareholders may be reduced. Shareholders may also experience subsequent dilution and/or such securities may have preferred rights, options and pre-emption rights senior to the Ordinary Shares. The Company may be unable to obtain additional financing on acceptable terms or at all if market and economic conditions, the financial condition or operating performance of the Company or investor sentiment (whether towards the Company in particular or towards the market sector in which the Company operates) are unfavourable. The Company's inability to raise additional funding on terms acceptable to it may hinder its ability to grow in the future or to maintain its existing levels of operation.

Market perception

Market perception of the Company may change, potentially affecting the value of investors' holdings and the ability of the Company to raise further funds by the issue of new Ordinary Shares or otherwise.

Ability to pay future dividends

The Company's ability to pay dividends in the future is dependent upon the extent that it has distributable reserves and cash available for this purpose. The Company can give no assurance to Shareholders that it will pay dividends in the future.

Investors should consider carefully whether an investment in LightwaveRF is suitable for them in light of the risk factors outlined above, their personal circumstances and the financial resources available to them.

This list should not be considered an exhaustive statement of all potential risks and uncertainties.

PART III

DETAILS OF THE OPEN OFFER

1. Introduction

The Open Offer has been structured so as to allow Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price pro rata to their existing holdings. Qualifying Shareholders may also make applications in excess of their Basic Entitlements. To the extent that Basic Entitlements to Open Offer Shares are not subscribed for by Qualifying Shareholders, such Open Offer Shares will be available to satisfy such excess applications, subject to a maximum of 5,964,387 Open Offer Shares in aggregate. To the extent that applications are received in respect of an aggregate of more than 5,964,387 Open Offer Shares, excess applications will be scaled back accordingly.

However, other than in the case of Committed Capital (but only to the extent permitted by the Rule 9 Waiver), excess applications will be rejected if and to the extent that acceptance would result in the Qualifying Shareholder, together with those acting in concert with him/her/it for the purposes of the City Code, holding 30 per cent. or more of the Enlarged Share Capital immediately following Admission.

The Open Offer Shares to be issued pursuant to the Open Offer will, following Admission, rank *pari passu* in all respects with the Existing Ordinary Shares and will carry the right to receive all dividends and distributions declared, made or paid on or in respect of the Ordinary Shares after Admission.

Any Qualifying Shareholder who has sold or transferred all or part of his registered holding(s) of Qualifying Shares prior to 1 March February 2019, when the Qualifying Shares are marked “ex” the entitlement to the Open Offer, is advised to consult his stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for Open Offer Shares under the Open Offer may be a benefit which may be claimed from him by the purchaser(s) under the rules of the London Stock Exchange.

Open Offer Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer. Any Open Offer Shares which are not applied for by Qualifying Shareholders under the Open Offer will not be issued by the Company as the Open Offer is not underwritten. The Open Offer is not conditional upon the level of applications made to subscribe under the Open Offer or upon any minimum level of proceeds being raised. For the purposes of section 578 of the Companies Act, the Open Offer is being made on the basis that the Open Offer Shares subscribed for will be allotted in any event. Accordingly, even if the Open Offer is not fully subscribed, Open Offer Shares will be issued to Qualifying Shareholders who have validly applied for Open Offer Shares (subject to the terms and conditions set out in this Document and the Application Form).

2. The Open Offer

LightwaveRF hereby invites each Qualifying Shareholder, on the terms and subject to the conditions set out herein (and, for Qualifying non-CREST Shareholders, in the accompanying Application Form), to apply to subscribe, at 8.5 pence per Open Offer Share (payable in full on application and free of all expenses), for any number of Open Offer Shares (subject to the limit of the number of Excess Shares that can be applied for using the Excess Application Facility), being:

1 Open Offer Share for every 12 Qualifying Shares

registered in the name of each Qualifying Shareholder on the Record Date and so on in proportion to any other number of Qualifying Shares then held (rounded down to the nearest whole number of Open Offer Shares). Valid applications by Qualifying Shareholders will be satisfied in full up to their Basic Entitlements.

The Basic Entitlement, in the case of Qualifying non-CREST Shareholders, is equal to the number of Open Offer Shares shown in Box 4 on the Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Basic Entitlements standing to the credit of their stock account in CREST. Qualifying CREST Shareholders will have their Basic Entitlements credited to their stock accounts in CREST and should refer to paragraphs 2, 3 and 7 of this Part III and also to the CREST Manual for further information on the

relevant CREST procedures. Basic Entitlements have been rounded down to the nearest whole number of Ordinary Shares and any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Shareholders' Basic Entitlements and will be aggregated and will be made available to Qualifying Shareholders under the Excess Application Facility. Qualifying Shareholders with fewer than 12 Qualifying Shares will not be able to apply for Open Offer Shares.

Qualifying Shareholders may apply to acquire less than their Basic Entitlement should they so wish. In addition, Qualifying Shareholders may apply to acquire Excess Shares using the Excess Application Facility. Please see below for further details of the Excess Application Facility.

Holdings of Qualifying Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating Basic Entitlements, as will holdings under different designations and in different accounts.

The aggregate number of Ordinary Shares available for subscription pursuant to the Open Offer is 5,964,387 Ordinary Shares.

The Open Offer is conditional, *inter alia*, upon the following:

- (a) the passing, without amendment, of the Resolutions at the General Meeting;
- (b) Admission becoming effective by not later than 8.00 a.m. on 20 March 2019 (or such later time and/or date as the Company and Stockdale may agree); and
- (c) the Placing Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms.

Accordingly, if any of these conditions are not satisfied or waived (where capable of waiver) by 8.00 a.m. on 20 March 2019 (or such later time and/or date as the Company and Stockdale may agree), the Open Offer will not proceed and any applications made by Qualifying Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable thereafter. Revocation of applications for Open Offer Shares cannot occur after dealings have begun.

No temporary documents of title will be issued in respect of Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form within 10 Business Days of Admission. In respect of those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in uncertificated form, the Open Offer Shares are expected to be credited to their stock accounts maintained in CREST at 8.00 a.m. on 20 March 2019.

Application will be made for the Open Offer Shares to be admitted to trading on AIM. Admission is expected to occur at 8.00 a.m. on 20 March 2019, when dealings in the Open Offer Shares are expected to begin.

All monies received by the Receiving Agent in respect of Open Offer Shares will be held in a separate non-interest bearing bank account.

If for any reason it becomes necessary to adjust the expected timetable as set out in this Document, the Company will make an appropriate announcement to a RIS giving details of the revised dates.

Excess Applications

Qualifying Shareholders may apply to acquire any number of Open Offer Shares subject to the limit on applications under the Excess Application Facility referred to below. The Basic Entitlement, in the case of Qualifying non-CREST Shareholders, is equal to the number of Open Offer Shares shown in Box 4 on the Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Basic Entitlements standing to the credit of their stock account in CREST.

The Excess Application Facility enables Qualifying Shareholders who have taken up their Basic Entitlement in full to apply for any whole number of Ordinary Shares in excess of their Basic Entitlement up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a

Qualifying Shareholder's Basic Entitlement, subject always to the 29.9 per cent. Aggregate Limit (other than in the case of Committed Capital (but only to the extent permitted by the Rule 9 Waiver)).

Qualifying non-CREST Shareholders who wish to apply to subscribe for more than their Basic Entitlement should complete Boxes 6, 7, 8 and 9 on the Application Form. Applications for Excess Shares may be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that applications for Excess Shares by Qualifying Shareholders will be met in full or in part or at all. The Directors may determine in their absolute discretion not to accept any particular application under the Excess Application Facility.

The aggregate number of Open Offer Shares available for subscription pursuant to the Open Offer (including under the Excess Application Facility) is 5,964,387 Ordinary Shares.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. Qualifying non-CREST Shareholders should also note that the Application Form is not a negotiable document and cannot be traded. Qualifying CREST Shareholders should note that, although the Basic Entitlements and Excess CREST Open Offer Entitlements will be credited to CREST and be enabled for settlement, applications in respect of Basic Entitlements and Excess CREST Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Open Offer Shares not applied for by Qualifying Shareholders under their Basic Entitlements will not be sold in the market for the benefit of those who do not apply under the Open Offer but may, at the Directors' discretion, be allotted to Qualifying Shareholders to meet any valid applications under the Excess Application Facility and the net proceeds will be retained for the benefit of the Company. Qualifying Shareholders who do not apply to take up Open Offer Shares will have no rights under the Open Offer. Any Open Offer Shares which are not applied for by Qualifying Shareholders under the Open Offer will not be issued by the Company as the Open Offer is not underwritten.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the New Ordinary Shares. All such New Ordinary Shares, when issued and fully paid, may be held and transferred by means of CREST.

Application has been made for the Basic Entitlements and Excess CREST Open Offer Entitlements to be admitted to CREST where Existing Ordinary Shares are already admitted to CREST and/or Qualifying Shareholders elect for them to be so admitted to CREST. The conditions for such admission having already been met, the Basic Entitlements and Excess CREST Open Offer Entitlements are where appropriate expected to be admitted to CREST with effect from 4 March 2019.

The Open Offer Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares. The Open Offer Shares are not being made available in whole or in part to the public except under the terms of the Open Offer. Overseas Holders are referred to the section entitled "Overseas Holders" set out in paragraph 6 of this Part III.

The Existing Ordinary Shares are in registered form, are traded on the AIM market and are not traded on any other exchange. The Open Offer Shares will also be in registered form, will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares. The Open Offer Shares will be issued only pursuant to the Open Offer and will not otherwise be marketed or made available in whole or in part to the public.

The proceeds of the Open Offer will be approximately £0.5 million before expenses. The Open Offer Shares will represent approximately 5.6 per cent. of the Enlarged Share Capital.

3. Procedure for application and payment

The action to be taken by Qualifying Shareholders in respect of the Open Offer depends on whether, at the relevant time, a Qualifying Shareholder has an Application Form in respect of his, her or its Basic Entitlement or a Qualifying Shareholder has his, her or its Basic Entitlement and Excess CREST Open Offer Entitlement credited to his, her or its CREST stock account in respect of such entitlement.

Qualifying Shareholders who hold their Existing Ordinary Shares in certificated form will be allotted Open Offer Shares in certificated form. Qualifying Shareholders who hold all or part of their Existing Ordinary Shares in uncertificated form will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form.

However, it will be possible for Qualifying Shareholders to deposit Basic Entitlements and/or Excess Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 3.2(g) of this Part III. CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Basic Entitlements and Excess Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Basic Entitlements and Excess Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

Qualifying Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. Qualifying Shareholders are, however, encouraged to vote at the General Meeting by attending in person or by completing and returning the Form of Proxy enclosed with this Document.

3.1 ***If you have an Application Form in respect of your entitlement under the Open Offer***

(a) *General*

Subject as provided in paragraph 6 of this Part III in relation to Overseas Holders, Qualifying non-CREST Holders will have received an Application Form with this Document. The Application Form shows the number of Qualifying Shares registered in their name on the Record Date in Box 3. It also shows the maximum number of Open Offer Shares for which they are entitled to apply under the Basic Entitlements, as shown by the Basic Entitlement allocated to them set out in Box 4. Box 5 shows how much they would need to pay if they wish to take up their Basic Entitlement in full. Qualifying non-CREST Shareholders wishing to take up their Basic Entitlement in full should sign, date and return the Application Form together with a pound sterling cheque (duly endorsed) for the sum set out in Box 5 of the Application Form.

Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying non-CREST Shareholders' Basic Entitlements and will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility. Any Qualifying non-CREST Shareholders with fewer than 12 Qualifying Shares will not receive a Basic Entitlement. Any Qualifying non-CREST Shareholder with fewer than 12 Qualifying Shares will not be able to apply for Excess Shares pursuant to the Excess Application Facility (see paragraph 3.1(c) of this Part III). Qualifying non-CREST Shareholders may apply for less than their Basic Entitlement should they wish to do so. Qualifying non-CREST Shareholders wishing to apply for Open Offer Shares representing less than their Basic Entitlement may do so by completing Boxes 6, 8 and 9 of the Application Form. Subject to availability, and assuming that Qualifying Shareholders have accepted their Basic Entitlement in full, Qualifying non-CREST Shareholders may also apply for any whole number of Excess Shares in excess of their Basic Entitlement up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying non-CREST Shareholder's Basic Entitlement, subject always to the 29.9 per cent. Aggregate Limit (other than in the case of Committed Capital (but only to the extent permitted by the Rule 9 Waiver)), by completing Boxes 6, 7, 8 and 9 of the Application Form (see paragraph 3.1(c) of this Part III). Qualifying non-CREST Shareholders may hold such an Application Form by virtue of a *bona fide* market claim (see paragraph 3.1(b) of this Part III).

The instructions and other terms set out in the Application Form form part of the terms of the Open Offer.

(b) *Market claims*

Applications by Qualifying non-CREST Holders to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying non-CREST Holder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a market purchase of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked "ex" for the purposes of entitlement to participate in the Open Offer. Application Forms may not be assigned, transferred or

split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 14 March 2019. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying non-CREST Holder who has sold or otherwise transferred all or part of his holding of Qualifying Shares prior to the date upon which the Qualifying Shares were marked “ex” for the purposes of entitlement to participate in the Open Offer, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the transferee from his counterparty.

Qualifying non-CREST Holders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 10 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee or the Receiving Agent in accordance with the instructions set out in the Application Form. The Application Form should not, however, subject to certain exceptions, be forwarded to or transmitted in or into any Restricted Jurisdiction. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 3.2(b) below.

(c) *Excess Application Facility*

Provided that Qualifying non-CREST Holders have accepted their Basic Entitlement in full, Qualifying non-CREST Holders may apply to acquire Excess Shares using the Excess Application Facility, should they wish. Qualifying non-CREST Holders wishing to apply for Excess Shares up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying non-CREST Holder’s Basic Entitlement, subject always to the 29.9 per cent. Aggregate Limit (other than in the case of Committed Capital (but only to the extent permitted by the Rule 9 Waiver)), may do so by completing Boxes 6, 7, 8 and 9 of the Application Form. The total number of Open Offer Shares is fixed and will not be increased in response to any Excess Applications. Excess Applications will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Basic Entitlements in full or where fractional entitlements have been aggregated and made available under the Excess Application Facility and where such Excess Application is not in excess of the relevant Qualifying non-CREST Holder’s 29.9 per cent. Aggregate Limit (other than in the case of Committed Capital (but only to the extent permitted by the Rule 9 Waiver)). Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications for Excess Shares by Qualifying non-CREST Holders will be met in full or in part or at all. The Directors may determine in their absolute discretion not to accept any particular application under the Excess Application Facility. Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant’s risk) without interest as soon as practicable thereafter by way of cheque or CREST payment, as appropriate.

(d) *Application procedures*

Qualifying non-CREST Holders wishing to apply to acquire all or any of the Open Offer Shares to which they are entitled should complete the Application Form in accordance with the instructions printed on it. Completed Application Forms should be posted in the accompanying reply paid envelope (for use only in the UK) or delivered by hand (during normal business hours only) to Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8DH with a cheque drawn in Sterling on a bank or building society in the UK which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided for members of either of those companies.

Cheques should be drawn on the personal account to which the Shareholder has sole or joint title. Third party cheques will not be accepted with the exception of bankers’ drafts/building society cheques where the bank or building society has endorsed the back of the draft or cheque by adding the shareholder’s details and the branch stamp. Such cheques must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application.

Applications must be received by Neville Registrars (at the address detailed above) no later than 11.00 a.m. on 18 March 2019, after which time, subject as set out in this paragraph, Application Forms will not be valid. Once submitted, applications are irrevocable. If an Application Form is being sent by post in the UK, Qualifying Shareholders are recommended to allow at least four working days for delivery. Cheques should be made payable to "Neville Registrars Limited re: Clients Account" and crossed "A/C Payee Only". It is a condition of application that cheques will be honoured on first presentation and LightwaveRF may in its absolute discretion elect not to treat as valid any application in respect of which a cheque is not so honoured. LightwaveRF reserves the right in its sole discretion (but with the prior consent of Stockdale) to (but shall not be obliged to) treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. LightwaveRF further reserves the right (but shall not be obliged) to accept either Application Forms received after 11.00 a.m. on 18 March 2019 but not later than 8.00 a.m. on 19 March 2019 with the envelope bearing a legible postmark not later than 11.00 a.m. on 18 March 2019 or applications in respect of which remittances are received before 8.00 a.m. on 19 March 2019 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days. Multiple applications will not be accepted.

Cheques will be presented for payment upon receipt. Post-dated cheques will not be accepted. If they are presented before the conditions of the Open Offer are fulfilled, the application monies will be kept in a separate bank account until the conditions are fully met. If the conditions of the Open Offer are not fulfilled on or before 8.00 a.m. on 20 March 2019, or such later time and/or date as LightwaveRF and Stockdale may determine (being no later than 8.00 a.m. on 29 March 2019), the Open Offer will lapse and all application monies will be returned without interest by crossed cheque in favour of the registered shareholder(s) through the post at their risk as soon as is practicable after that date. Interest earned on monies held in the separate bank account will be retained for the benefit of the Company.

(e) *Effect of application*

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering an Application Form the applicant:

- (i) represents and warrants to the Company and Stockdale that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) confirms to the Company and Stockdale that in making the application he is not relying and has not relied on Stockdale or any other person affiliated with Stockdale in connection with any investigation of the accuracy of any information contained in this Document or his investment decision;
- (iii) confirms to the Company and Stockdale that no person has been authorised to give any information or to make any representation concerning the Company or the Open Offer Shares (other than as contained in this Document) and, if given or made, any such other information or representation should not be, and has not been, relied upon as having been authorised by the Company or Stockdale;
- (iv) requests that the Open Offer Shares to which he, she or it will become entitled be issued to him, her or it on the terms set out in this Document and subject to the articles of association of LightwaveRF;
- (v) agrees that all applications under the Open Offer and contracts resulting therefrom, shall be governed by and construed in accordance with the laws of England;
- (vi) represents and warrants that he, she or it is not, and that he, she or it is not applying on behalf of any Shareholder who or which is, a citizen or resident or a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction and he, she or it is not applying with a view to reoffering, reselling, transferring or delivering any of the Open Offer

Shares which are the subject of the application to, or for the benefit of a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of a Restricted Jurisdiction except where proof satisfactory to LightwaveRF has been provided to LightwaveRF that he, she or it is able to accept the invitation by LightwaveRF free of any requirement which it (in its absolute discretion) regards as unduly burdensome, nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;

- (vii) represents and warrants that he, she or it is not and nor is he, she or it applying as nominee or agent for a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;
- (viii) confirms that in making such application he, she or it is not relying on any information in relation to LightwaveRF other than that contained in this Document and agrees that no person responsible solely or jointly for this Document or any part thereof or involved in the preparation thereof, shall have any liability for any such other information and further agrees that having had the opportunity to read this Document, he, she or it will be deemed to have had notice of all the information concerning LightwaveRF contained therein; and
- (ix) represents and warrants that he, she or it is the Qualifying Shareholder originally entitled to the relevant Basic Entitlement or that he, she or it has received such Basic Entitlement by virtue of a *bona fide* market claim.

Should you need advice with regard to these procedures, please contact Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD on 0121 585 1131 or if calling from outside the UK on + 44 121 585 1131, where relevant, quoting the allotment number of your Application Form. Calls to Neville Registrars' help line number are charged at your standard provider's rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Neville Registrars cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

Qualifying non-CREST Holders who do not wish to apply for Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form.

Qualifying non-CREST Holders are, however, encouraged to vote at the General Meeting by attending in person or by completing and returning the Form of Proxy enclosed with this Document.

3.2 **If you have Basic Entitlements and Excess CREST Open Offer Entitlements credited to your stock account in CREST**

(a) *General*

Subject as provided in paragraph 6 of this Part III in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his, her or its stock account in CREST equal to the number of Open Offer Shares which represents his, her or its Basic Entitlement, and also in respect of his, her or its Excess CREST Open Offer Entitlement (an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying Shareholder's Basic Entitlement), subject always to the 29.9 per cent. Aggregate Limit (other than in the case of Committed Capital (but only to the extent permitted by the Rule 9 Waiver)). Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Shareholders' Basic Entitlement and will be aggregated and made available under the Excess Application Facility. Any Qualifying CREST Shareholders with fewer than 12 Existing Ordinary Shares will not receive a Basic Entitlement. Any Qualifying non-CREST Shareholders with fewer than 12 Existing Ordinary Shares will not be able to apply for Excess Shares pursuant to the Excess Application Facility (see paragraph 3.2(c) of this Part III.)

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Basic Entitlements and Excess CREST Open Offer Entitlements have been allocated.

If for any reason the Basic Entitlements and Excess CREST Open Offer Entitlements cannot be admitted to CREST, or the stock accounts of Qualifying CREST Shareholders cannot be credited, by 8.00 a.m. on 4 March 2019, or such later time and/or date as the Company and Stockdale may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Basic Entitlements and Excess CREST Open Offer Entitlements which should have been credited to his, her or its stock account in CREST. In these circumstances, the expected timetable as set out in this Document will be adjusted as appropriate and the provisions of this Document applicable to Qualifying non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive such Application Forms.

CREST members who wish to apply to acquire some or all of their entitlement to Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below.

Should you need advice with regard to these CREST procedures, please contact Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD on 0121 585 1131 or if calling from outside the UK on +44 121 585 1131, where relevant. Calls to Neville Registrars' help line number are charged at your provider's standard national, or as the case may be, international, rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Neville Registrars cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Open Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

(b) *Market claims*

Each of the Basic Entitlements and the Excess CREST Open Offer Entitlements will constitute a separate security for the purposes of CREST and will have a separate ISIN. Although Basic Entitlements and Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Basic Entitlements and Excess CREST Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as "cum" the Basic Entitlement and the Excess CREST Open Offer Entitlements will generate an appropriate market claim transaction and the relevant Basic Entitlement(s) and the Excess CREST Open Offer Entitlements will thereafter be transferred accordingly.

(c) *Excess Application Facility*

Subject to availability, and assuming that Qualifying CREST Shareholders have accepted their Basic Entitlement in full, Qualifying CREST Shareholders may apply to acquire Excess Shares using the Excess Application Facility, should they wish. The Excess Application Facility enables Qualifying CREST Shareholders to apply for Excess Shares in excess of their Basic Entitlement up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying CREST Shareholder's Basic Entitlement, subject to the 29.9 per cent. Aggregate Limit (other than in the case of Committed Capital (but only to the extent permitted by the Rule 9 Waiver)).

An Excess CREST Open Offer Entitlement may not be sold or otherwise transferred. Subject as provided in paragraph 6 of this Part III in relation to Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with an Excess CREST Open Offer Entitlement in order for any applications for Excess Shares to be settled through CREST.

Qualifying CREST Shareholders should note that, although the Basic Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of market claims only). Neither the Basic Entitlements nor the Excess CREST Open Offer Entitlements will be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

To apply for Excess Shares pursuant to the Open Offer, Qualifying CREST Shareholders should follow the instructions in paragraphs 3.2(d) to (f) below and must not return a paper form and cheque.

Should a transaction be identified by the CREST Claims Processing Unit as “cum” the Basic Entitlement and the relevant Basic Entitlement be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Basic Entitlement claim, but will be transferred as a separate claim. Should a Qualifying CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess CREST Open Offer Entitlement credited to CREST and allocated to the relevant Qualifying Shareholder will be transferred to the purchaser. Please note that a separate USE instruction must be sent to Euroclear in respect of any application under the Excess CREST Open Offer Entitlement.

Fractions of Excess Shares will not be issued under the Excess Application Facility and fractions of Excess Shares will be rounded down to the nearest whole number. Any fractional Excess Shares will be aggregated and sold for the benefit of the Company.

The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Application Facility. Applications under the Excess Application Facility will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Basic Entitlements in full or where fractional entitlements have been aggregated and made available under the Excess Application Facility subject always to the 29.9 per cent. Aggregate Limit (other than in the case of Committed Capital (but only to the extent permitted by the Rule 9 Waiver)). Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that application, for Excess Shares by Qualifying Shareholders will be met in full or in part or at all. The Directors may determine in their absolute discretion not to accept any particular application under the Excess Application facility. Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant’s risk) without interest as soon as practicable thereafter by way of cheque or CREST payment, as appropriate.

Should you need advice with regard to these CREST procedures, please contact Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD on 0121 585 1131 or if calling from outside the UK on +44 121 585 1131, where relevant. Calls to Neville Registrars’ help line number are charged at your provider’s standard national, or as the case may be, international, rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Neville Registrars cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

(d) *USE instructions*

Qualifying CREST Shareholders who are CREST members and who want to apply for Open Offer Shares in respect of all or some of their Basic Entitlement and Excess CREST Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Registrars under the participant ID and member account ID specified below, with a Basic Entitlement and/or Excess CREST Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and
- (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of the Registrars in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph 3.2(d)(i) above.

(e) *Content of USE instruction in respect of Basic Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear’s specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of shares comprised in the Basic Entitlement being delivered to Neville Registrars);
- (ii) the ISIN of the Basic Entitlement, which is GB00BJJQ2F06;
- (iii) the participant ID of the accepting CREST member;

- (iv) the member account ID of the accepting CREST member from which the Basic Entitlements are to be debited;
- (v) the participant ID of Neville Registrars in its capacity as a CREST receiving agent, which is 7RA11;
- (vi) the member account ID of Neville Registrars in its capacity as a CREST receiving agent, which is LRFBASIC;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 18 March 2019; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 18 March 2019.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (1) a contact name and telephone number (in the free format shared note field); and
- (2) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 18 March 2019 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 20 March 2019 or such later time and date as the Company and Stockdale determine (being no later than 8.00 a.m. on 29 March 2019), the Open Offer will lapse, the Basic Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Registrars will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter. The interest earned on such monies will be retained for the benefit of the Company.

(f) *Content of USE instruction in respect of Excess CREST Open Offer Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Excess Shares for which the application is being made (and hence the number of the Excess CREST Open Offer Entitlement(s) being delivered to the Registrars);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement. This is GB00BJJQ2G13;
- (iii) the participant ID of the accepting CREST member;
- (iv) the member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the participant ID of Neville Registrars in its capacity as Receiving Agent. This is 7RA11;
- (vi) the member account ID of Neville Registrars in its capacity as Receiving Agent. This is LRFXS;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Excess Shares referred to in paragraph 3.2(f)(i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 18 March 2019; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for the application in respect of a Excess CREST open Offer Entitlement under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 18 March 2019.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 18 March 2019 in order to be valid is 11.00 a.m. on that day. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess Entitlement security.

(g) *Deposit of Basic Entitlements and Excess CREST Open Offer Entitlements into, and withdrawal from, CREST*

A Qualifying non-CREST Holder's Basic Entitlement as set out in his, her or its Application Form may be deposited into CREST (either into the account of the Qualifying Holder named in the Application Form or into the file name of a person entitled by virtue of a *bona fide* market claim). Similarly, Basic Entitlements and Excess CREST Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under Basic Entitlements are reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing to deposit the Basic Entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Basic Entitlement and the entitlement to apply under the Excess Application Facility following its deposit into CREST to take all necessary steps in connection with taking up his, her or its entitlement prior to 11.00 a.m. on 18 March 2019. In particular, having regard to normal processing times in CREST and on the part of Neville Registrars, the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Basic Entitlements from CREST, is 4.30 p.m. on 11 March 2019, and the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Basic Entitlements or Excess CREST Open Offer Entitlements in CREST is 3.00 p.m. on 12 March 2019, in either case so as to enable the person acquiring or (as appropriate) holding the Basic Entitlement following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Basic Entitlement and/or Excess CREST Open Offer Entitlements as the case may be prior to 11.00 a.m. on 18 March 2019.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to LightwaveRF and Neville Registrars by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for depositing entitlements under the Open Offer into CREST" on page 3 of the Application Form, and a declaration to LightwaveRF and Neville Registrars from the relevant CREST member(s) that it/they is/are not citizen(s) or resident(s) of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(h) *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 18 March 2019 will constitute a valid application under the Open Offer.

(i) *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his, her or its CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 18 March 2019. In this connection, CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(j) *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, LightwaveRF, through Neville Registrars, reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question without payment of interest;
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question without payment of interest; and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction, refunding any unutilised sum to the CREST member in question, without payment of interest.

(k) *Effect of valid application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby:

- (i) agrees to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to Neville Registrars' payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to LightwaveRF the amount payable on application);
- (ii) represents and warrants to the Company and Stockdale that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (iii) confirms to the Company and Stockdale that in making the application he is not relying and has not relied on Stockdale or any other person affiliated with Stockdale in connection with any investigation of the accuracy of any information contained in this Document or his investment decision;
- (iv) confirms to the Company and Stockdale that no person has been authorised to give any information or to make any representation concerning the Group or the Open Offer Shares (other than as contained in this Document) and, if given or made, any such other information or representation should not be, and has not been, relied upon as having been authorised by the Company or Stockdale;
- (v) requests that the Open Offer Shares to which he, she or it will become entitled be issued to him, her or it on the terms set out in this Document and subject to the articles of association of LightwaveRF;
- (vi) agrees that all applications under the Open Offer and contracts resulting therefrom shall be governed by, and construed in accordance with, the laws of England;

- (vii) represents and warrants that he, she or it is not, and he, she or it is not applying on behalf of any Shareholder who or which is, a citizen or resident or a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction and he, she or it is not applying with a view to reoffering, reselling, transferring or delivering any of the Open Offer Shares which are the subject of the application to, or for the benefit of a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of a Restricted Jurisdiction except where proof satisfactory to LightwaveRF has been provided to LightwaveRF that he, she or it is able to accept the invitation by LightwaveRF free of any requirement which it (in its absolute discretion) regards as unduly burdensome, nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
 - (viii) represents and warrants that he, she or it is not and nor is he, she or it applying as nominee or agent for a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;
 - (ix) confirms that the Open Offer Shares have not been offered to the applicant by the Company, Stockdale or any of their affiliates, by means of any:
 - (a) “directed selling efforts” as defined in Regulation S under the Securities Act; or
 - (b) “general solicitation” or “general advertising” as defined in Regulation D under the Securities Act;
 - (x) confirms that in making such application he, she or it is not relying on any information in relation to LightwaveRF other than that contained in this Document and agrees that no person responsible solely or jointly for this Document or any part thereof or involved in the preparation thereof, shall have any liability for any such other information and further agrees that having had the opportunity to read this Document, he, she or it will be deemed to have had notice of all the information concerning LightwaveRF contained therein; and
 - (xi) represents and warrants that he, she or it is the Qualifying Shareholder originally entitled to the relevant Basic Entitlement or that he, she or it has received such Basic Entitlement by virtue of a *bona fide* market claim.
- (l) *Discretion of the Company as to the rejection and validity of applications*
 The Company at its sole discretion may:
- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part III of this Document;
 - (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as LightwaveRF may determine;
 - (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the “first instruction”) as not constituting a valid application if, at the time at which Neville Registrars receives a properly authenticated dematerialised instruction giving details of the first instruction, or thereafter, either LightwaveRF or Neville Registrars have received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by Neville Registrars in connection with CREST.

4. Money Laundering Regulations

4.1 Holders of Application Forms

It is a term of the Open Offer that, to ensure compliance with the Money Laundering Regulations 2017 (as amended and supplemented), the money laundering provisions of the Criminal Justice Act 1993, Part VIII of FSMA and the Proceeds of Crime Act 2002 (together with other guidance and source books produced in relation to financial sector firms), Neville Registrars may at its absolute discretion require verification of identity from any person lodging an Application Form (the “applicant”) including, without limitation, any applicant who (i) tenders payment by way of cheque drawn on an account in the name of a person or persons other than the applicant, or (ii) appears to Neville Registrars to be acting on behalf of some other person. In the former case, verification of the identity of the applicant may be required. In the latter case, verification of the identity of any person on whose behalf the applicant appears to be acting may be required.

The verification of identity requirements will not usually apply:

- (a) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering (no. 91/308/EEC));
- (b) if the acceptor is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;
- (c) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant’s name; or
- (d) if the aggregate subscription price for the Open Offer Shares is less than the Sterling equivalent of €15,000 (approximately £12,865).

In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:

- (i) if payment is made by building society cheque (not being a cheque drawn on an account in the name of the applicant), by the building society or bank endorsing on the cheque the applicant’s name and the number of an account held in the applicant’s name at such building society or bank, such endorsement being validated by a stamp and an authorised signature;
- (ii) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (a) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-EU members of which are Argentina, Australia, Brazil, Canada, China, Gibraltar, Hong Kong, Iceland, Japan, Mexico, New Zealand, Norway, Russian Federation, the Republic of Korea, the Republic of South Africa, Singapore, Switzerland, Turkey, UK Crown Dependencies and the United States and, by virtue of their membership of the Gulf Co-operation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide with the Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to Neville Registrars. If the agent is not such an organisation, it should contact Neville Registrars using the telephone numbers set out above.

If you deliver your Application Form personally by hand, you should ensure that you have with you evidence of identity bearing your photograph (for example your passport). If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 18 March 2019, Neville Registrars have not received evidence satisfactory to them as aforesaid, Neville Registrars may, at their discretion, as the agents of LightwaveRF, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the drawee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

4.2 Basic Entitlements and Excess CREST Open Offer Entitlements held in CREST

If you hold your Basic Entitlements and Excess CREST Open Offer Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Basic Entitlement and/or Excess CREST Open

Offer Entitlements as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, the Registrar is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE instruction or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to provide promptly to the Registrars such information as may be specified by the Registrars as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Registrars as to identity, the Registrars may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence as to the identity of the person or persons on whose behalf the application is made.

5. No public offering outside the United Kingdom

LightwaveRF has not taken nor will take any action in any jurisdiction that would permit a public offering of Existing Ordinary Shares in any jurisdiction where action for the purpose is required, other than in the United Kingdom.

6. Overseas Holders

6.1 General

The distribution of this Document and the Application Form and the making of the Open Offer to Qualifying Shareholders who are resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Such Overseas Shareholders should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to accept the Open Offer and/or apply to subscribe for Open Offer Shares.

As a result of restrictions applicable to any holder of Existing Ordinary Shares with registered or mailing addresses in the United States, Canada, Australia, Japan, their territories or possessions and other Restricted Jurisdictions, this Document and the accompanying Application Form are not being sent to any such holders of Existing Ordinary Shares nor will Basic Entitlements and/or Excess CREST Open Offer Entitlements be credited to the stock account of any such holder.

No person receiving a copy of this Document and/or the Application Form and/or a credit of a Basic Entitlement and/or Excess CREST Open Offer Entitlement to a stock account in CREST in any territory other than the United Kingdom, may treat the same as constituting an invitation or offer to him, her or it to subscribe, nor should he, she or it in any event use such Application Form or credit of Basic Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, unless, in the relevant territory, such an invitation or offer could lawfully be made to him, her or it or the Application Form or credit of Basic Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST could lawfully be used without contravention of any registration or regulation or other legal requirements.

No Basic Entitlements and/or Excess CREST Open Offer Entitlements may be credited to the stock accounts in CREST of certain Overseas Holders unless they can prove to the satisfaction of LightwaveRF that such action would not result in contravention of any applicable legal requirements. Receipt of this Document and/or the Application Form or the crediting of Basic Entitlement and/or Excess CREST Open Offer Entitlements to a stock account in CREST will not constitute an offer in those territories in which it would be unlawful to make such an offer and, in such circumstances, this Document and/or the Application Form will be treated as confidential, sent for information purposes only and should not be copied or distributed.

It is the responsibility of any Overseas Holder receiving a copy of this Document and/or the Application Form and/or receiving a credit of a Basic Entitlement to a stock account in CREST and wishing to take up the Open Offer to satisfy himself, herself or itself as to the full observance of the laws and regulatory requirements of the relevant territory in connection therewith, including obtaining all governmental or other consents which may be required, observing all other requisite formalities that need to be observed in such territory, and paying all issue, transfer or other taxes payable in such territory. If you are in any doubt as to your position, you should consult your independent professional adviser.

Persons (including, without limitation, nominees and trustees) receiving an Application Form and/or receiving a credit of a Basic Entitlement or Excess CREST Open Offer Entitlement to a stock account in CREST should not, in connection with the Open Offer, distribute or send the Application Form or transfer the Basic Entitlement and/or Excess CREST Open Offer Entitlement into any jurisdiction where to do so would or might contravene local securities laws or regulations. If an Application Form and/or credit of a Basic Entitlement or Excess CREST Open Offer Entitlement to a stock account in CREST is received by a person in any such jurisdiction or by the agent or nominee of such a person, he, she or it must not seek to apply for Open Offer Shares except pursuant to an express agreement with LightwaveRF. Any person who does forward an Application Form or transfer a Basic Entitlement and/or Excess CREST Open Offer Entitlements into any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this paragraph 6.

LightwaveRF reserves the right (but shall not be obliged) to reject a purported application for Open Offer Shares under the Open Offer in a particular case if it believes doing so may violate applicable legal or regulatory requirements. The provisions of this paragraph 6 and/or any other terms of the Open Offer relating to Overseas Holders may be waived, varied or modified (a) as regards specific holders of Existing Ordinary Shares or (b) on a general basis by LightwaveRF in its absolute discretion (and on such terms and conditions as it may think fit).

All payments under the Open Offer must be made in Sterling.

6.2 **United States**

For the purposes of this Document a "US person" means a citizen or resident of the United States, a corporation, partnership or other entity created or organised in or under the laws of the United States and an estate or trust the income of which is subject to United States federal income taxation regardless of its source; provided, however, that the term "US person" does not include a branch or agency of a US bank or insurance company that is operating outside the United States for valid business reasons as a locally regulated branch or agency engaged in the banking or insurance business and not solely for the purpose of investing in securities not registered under the Securities Act.

The Open Offer Shares and the accompanying Application Form have not been, and will not be, registered under the Securities Act or under the securities laws of any jurisdiction or state of the United States. Accordingly, except in a transaction which is exempt under the legislation, the Open Offer Shares and the Application Form and/or Basic Entitlements and/or Excess Entitlements may not be directly or indirectly offered, sold, renounced, transferred, taken up or delivered, directly or indirectly, in or into the United States or to or for the benefit of US persons. This Document shall not constitute an offer to sell or the solicitation of an offer to buy any of the Open Offer Shares in the United States.

Envelopes containing the Application Form should not be postmarked in the United States or otherwise despatched from the United States. Persons will be deemed to have made an invalid application if they submit the Application Form in an envelope postmarked in the United States or have provided an address in the United States for registration, or do not make the representation and warranty set out in the Application Form to the effect that such person is not in the United States, is not a US person and is not acting for the account or benefit of a US person. The Open Offer is not therefore being made in the United States or to or for the account or benefit of a US person and holders of Existing Ordinary Shares at the Record Date with registered addresses in the United States will not be Qualifying Shareholders and Application Forms will not be sent to such persons.

6.3 **Canada**

No exemptions in connection with the Open Offer have been or will be obtained from any securities commission or similar regulatory authority in Canada. Accordingly, the Open Offer Shares are not being offered, nor may they be offered or sold, directly or indirectly, in Canada or to persons resident in Canada.

No prospectus in relation to the Open Offer Shares will be filed with and no relief from applicable securities law requirements will be obtained from the applicable regulatory authority of any province or territory of Canada.

Holders of Existing Ordinary Shares with registered addresses in Canada will not be Qualifying Holders and no Application Forms will be sent to such persons, nor will Basic Entitlements and/or Excess Entitlements be credited to the stock accounts of such persons.

Persons (including without limitation, nominees and trustees) receiving an Application Form and/or a Basic Entitlement and/or Excess Entitlements should not distribute, send or transfer it or them to persons resident in Canada. LightwaveRF reserves the right to reject an Application Form from persons whom it believes are residents of Canada or persons who are acquiring Open Offer Shares for resale into Canada.

6.4 **Australia**

No Application Form, advertisement or other offering material in relation to the Open Offer or the Open Offer Shares has been or will be distributed, directly or indirectly, in or into Australia, nor will Basic Entitlements and/or Excess Entitlements be credited to the stock accounts of such persons. No prospectus in relation to the Open Offer Shares has been or will be lodged with or registered by the Australian Securities and Investments Commission. The Open Offer is not being made in Australia. The Open Offer Shares will not be available for subscription or purchase by any resident of Australia (including corporations and other entities organised under the laws of Australia, but not including a permanent establishment of any such corporation or entity located outside Australia).

Holders of Existing Ordinary Shares with registered addresses in Australia will not be Qualifying Holders and no Application Forms will be sent to, nor will Basic Entitlements and/or Excess Entitlements be credited to, the stock accounts of such persons.

6.5 **Japan**

The relevant clearances have not been, and will not be, obtained from the Ministry of Finance of Japan and no circular in relation to the Open Offer Shares has been or will be lodged with or registered by the Ministry of Finance of Japan. The Open Offer Shares may not therefore, subject to certain exceptions, be offered or sold, directly or indirectly, in or into Japan. Accordingly, Application Forms are not being sent to, and no Basic Entitlements and/or Excess Entitlements will be credited to a stock account in CREST of, any Qualifying Shareholder with a registered address in Japan.

6.6 **Other Restricted Jurisdictions**

The Open Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

No offer of Open Offer Shares is being made by virtue of this Document or the Application Form into any Restricted Jurisdiction.

6.7 **Other overseas territories**

Application Forms will be sent to Qualifying non-CREST Shareholders and Basic Entitlements or Excess CREST Open Offer Entitlements will be credited to the stock account in CREST of Qualifying CREST Shareholders. Qualifying Shareholders in jurisdictions other than the Restricted Jurisdictions may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in

accordance with the instructions set out in this Document and the Application Form. Such Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the UK should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Open Offer Shares.

6.8 **Representations and warranties relating to Overseas Shareholders**

(a) *Qualifying non-CREST Shareholders*

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company, Stockdale and the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant Open Offer Shares from within any Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into any of the above territories. The Company and/or the Receiving Agent may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in a Restricted Jurisdiction for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the UK in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the representation and warranty required by this sub-paragraph 6.8(a).

(b) *Qualifying CREST Shareholders*

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part III represents and warrants to the Company and Stockdale that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) neither it nor its client is within any Restricted Jurisdiction; (ii) neither it nor its client is in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares; (iii) it is not accepting on a non-discretionary basis for a person located within any Restricted Jurisdiction or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) neither it nor its client is acquiring any Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into any of the above territories.

6.9 **Waiver**

The provisions of this paragraph 6.9 and of any other terms of the Open Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company, in its absolute discretion with the prior consent of Stockdale. Subject to this, the provisions of this paragraph supersede any terms of the Open Offer inconsistent herewith. References in this paragraph to Shareholders shall include references to the person or persons executing an Application Form and, in the event of more than one person executing an Application Form, the provisions of this paragraph shall apply to them jointly and to each of them.

7. **No withdrawal rights**

An application under the Open Offer once made is irrevocable and cannot be withdrawn or changed.

8. Settlement and dealings

The result of the Open Offer is expected to be announced on 19 March 2019. Application will be made to the London Stock Exchange for all of the New Ordinary Shares to be admitted to trading on AIM. It is expected that, subject to the Open Offer becoming unconditional in all respects, Admission will become effective and that dealings in the Open Offer Shares will commence at 8.00 a.m. on 20 March 2019. The earliest date for settlement of such dealings will be 20 March 2019.

LightwaveRF's Existing Ordinary Shares are already admitted to CREST. Accordingly, no further application for admission to CREST is required for the Open Offer Shares, all of which, when issued and fully paid, may be held and transferred by means of CREST.

Application has been made for the Basic Entitlements and the Excess CREST Open Offer Entitlements to be admitted to CREST. The conditions to such admission having already been met, the Basic Entitlements and the Excess CREST Open Offer Entitlements are expected to be admitted to CREST with effect from 4 March 2019. Basic Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 18 March 2019 (the latest time and date for applications under the Open Offer).

Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by LightwaveRF on the day on which all conditions to the Open Offer are satisfied (expected to be 20 March 2019). On this day, Neville Registrars will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission (expected to be 20 March 2019). The stock accounts to be credited will be accounts under the same participant IDs and member account IDs in respect of which the USE instruction was given.

Qualifying CREST Holders should note that they will be sent no confirmation of the credit of the Open Offer Shares to their CREST stock account nor any other written communication by LightwaveRF in respect of the issue of the Open Offer Shares.

Notwithstanding any other provision of this Document, LightwaveRF reserves the right to send Qualifying CREST Holders an Application Form instead of crediting the relevant stock account with a Basic Entitlement and/or to issue Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST), or on the part of the facilities and/or systems operated by Neville Registrars in connection with CREST. This right may also be exercised if the correct details (such as participant ID and member account ID details) are not provided as requested.

For Qualifying non-CREST Holders who have applied by using an Application Form, share certificates for the Open Offer Shares validly applied for are expected to be despatched by post within 10 Business Days of Admission. No temporary documents of title will be issued. Pending despatch of definitive share certificates, transfers of the Open Offer Shares by Qualifying non-CREST Holders will be certified against the register. All documents or remittances sent by or to an applicant (or his agent as appropriate) will (in the latter case) be sent through the post and will (in both cases) be at the risk of the applicant.

9. Times and dates

The Company shall, in its discretion, and after consultation with its financial and legal advisers, be entitled to amend the dates on which Application Forms are despatched or amend or extend the latest time and date for acceptance under the Open Offer and all related dates set out in this Document and in such circumstances shall make an announcement on a RIS.

10. Taxation

Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer, or who are subject to tax in any jurisdiction other than the United Kingdom, should immediately consult a suitable professional adviser.

11. Governing law and jurisdiction

The terms and conditions of the Open Offer as set out in this Document, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, the laws of England. The courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this Document or the Application Form including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer, this Document or the Application Form. By taking up Open Offer Shares under the Open Offer in accordance with the instructions set out in this Document and, where applicable, the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART IV

FINANCIAL INFORMATION ON THE COMPANY

This information is being provided as part of the required disclosures under the City Code and is not information required under the AIM Rules.

The information listed below relating to the Company is hereby incorporated by reference into this Document:

<i>Information</i>	<i>Source of Information</i>	<i>Website where the Information is published</i>	<i>Page numbers</i>
Audited, consolidated accounts for the year ended 30 September 2018	LightwaveRF Annual Report 2018	https://lightwaverf.com/pages/reports	17-53
Audited, consolidated accounts for the year ended 30 September 2017	LightwaveRF Annual Report 2017	https://lightwaverf.com/pages/reports	17-53

The Company will provide within two business days, without charge, to each person to whom a copy of this Document has been delivered, upon their written or verbal request, a hard copy of this Document and any documents incorporated by reference in this Document. Hard copies of any documents incorporated by reference in this Document will not be provided unless a valid request is made. Requests for hard copies of any such document should be directed to Neville Registrars on 0121 585 1131 or if calling from outside the UK on +44 121 585 1131. Calls to the Neville Registrars' help lines are charged at your provider's standard rates for national or, as the case may be, international calls. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Please note that Neville Registrars cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

PART V

FINANCIAL INFORMATION ON COMMITTED CAPITAL

This information is being provided as part of the required disclosures under the City Code and is not information required under the AIM Rules.

The information listed below relating to Committed Capital is hereby incorporated by reference into this Document:

<i>Information</i>	<i>Source of Information</i>	<i>Website where the Information is published</i>	<i>Page numbers</i>
Audited, consolidated accounts for the year ended 30 June 2017	Committed Capital Limited Annual Report and Accounts 2017	https://lightwaverf.com/pages/placing-subscription-open-offer-rule-9-waiver	7-29
Audited, consolidated accounts for the year ended 30 June 2016	Committed Capital Limited Annual Report and Accounts 2016	https://lightwaverf.com/pages/placing-subscription-open-offer-rule-9-waiver	5-27

The Company will provide within two business days, without charge, to each person to whom a copy of this Document has been delivered, upon their written or verbal request, a hard copy of this Document and any documents incorporated by reference in this Document. Hard copies of any documents incorporated by reference in this Document will not be provided unless a valid request is made. Requests for hard copies of any such document should be directed to Neville Registrars on 0121 585 1131 or if calling from outside the UK on +44 121 585 1131. Calls to the Neville Registrars' help lines are charged at your provider's standard rates for national or, as the case may be, international calls. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Please note that Neville Registrars cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

PART VI

ADDITIONAL INFORMATION

1. Responsibility

- 1.1. The Directors, whose names appear in paragraph 2.1 below, and the Company accept responsibility for the information contained in this Document (including any expressions of opinion) other than the information concerning the members of the Concert Party and its intentions for which the individual members of the Concert Party take responsibility (as set out in paragraph 1.2 below). To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2. Each of the members of the Concert Party, whose names are set out in paragraph 6 of Part I of this Document, accepts responsibility for the information contained in this Document relating to itself (including any expressions of opinion). To the best of the knowledge and belief of each member of the Concert Party (who have taken all reasonable care to ensure that such is the case), the information contained in this Document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

- 2.1 The Directors as at the date of this Document are as follows:

Barry Gamble	<i>Non-Executive Chairman</i>
Jason Elliott	<i>Chief Executive Officer</i>
Kevin Edwards	<i>Chief Financial Officer</i>
Steve Harris	<i>Non-Executive Director</i>
Mike Lord	<i>Non-Executive Director and Consultant</i>
John Shermer	<i>Founder and Chief Technical Officer</i>

- 2.2 The directors of Committed Capital as at the date of this Document are as follows:

Steve Harris
Timothy Steel*
Else Thomson

* Timothy Steel is not a director of CCFSL. He is a director of Committed Capital Limited only.

3. Interests and Dealings

(a) **Definitions and interpretation**

For the purposes of this paragraph 3:

“acting in concert”

has the meaning attributed to it in the Takeover Code; persons acting in concert comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. A person and each of its affiliated persons will be deemed to be acting in concert all with each other. Without prejudice to the general application of this definition, the following persons will be presumed to be persons acting in concert with other persons in the same category unless the contrary is established:

- (i) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other (for this purpose ownership or control of 20 per cent. or more of the equity

share capital of a company is regarded as the test of associated company status);

- (ii) a company with any of its directors (together with their close relatives and related trusts);
- (iii) a company with any of its pension funds and the pension funds of any company described in (i);
- (iv) a fund manager (including an exempt fund manager) with any investment company, unit trust or other person whose investments such fund manager manages on a discretionary basis, in respect of the relevant investment accounts;
- (v) a person, the person's close relatives, and the related trusts of any of them, all with each other;
- (vi) the close relatives of a founder of a company to which the Code applies, their close relatives, and the related trusts of any of them, all with each other;
- (vii) a connected adviser with its client and, if its client is acting in concert with an offeror or with the offeree company, with that offeror or with that offeree company respectively, in each case in respect of the interests in shares of that adviser and persons controlling, controlled by or under the same control as that adviser (except in the capacity of an exempt fund manager or an exempt principal trader);
- (viii) directors of a company which is subject to an offer or where the directors have reason to believe a *bona fide* offer for their company may be imminent; and
- (ix) shareholders in a private company who sell their shares in that company in consideration for the issue of new shares in a company to which the Code applies, or who, following the re-registration of that company as a public company in connection with an initial public offering or otherwise, become shareholders in a company to which the Code applies.

“arrangement”

includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;

“connected adviser”

has the meaning attributed to it in the Takeover Code;

“connected person”

has the meaning attributed to it in sections 252 to 255 of the Companies Act 2006 of the UK Parliament;

“control”

means an interest in relevant securities carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the interest gives *de facto* control;

“dealing” or “dealt”

includes the following:

- (a) the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities, or of general control of relevant securities;

- (b) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities;
- (c) subscribing or agreeing to subscribe for relevant securities;
- (d) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;
- (e) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
- (f) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position.

“derivative”

includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of a underlying security;

“disclosure date”

means 28 February 2019, being the latest practicable date prior to publication of this Document;

“Disclosure Period”

means the period commencing on 28 February 2018, being the date 12 months prior to the posting of this Document and ending on the disclosure date;

“exempt principal trader” or “exempt fund manager”

has the meaning attributed to it in the Takeover Code;

“interest”

being “interested” in relevant securities includes where a person has long economic exposure (whether absolute or conditional) to changes in the price of those securities. A person who only has a short position in securities will not be treated as interested in those securities. In particular, a person will be treated as having an interest in securities if:

- (a) owns relevant securities;
- (b) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or has general control of them;
- (c) by virtue of any agreement to purchase, option or derivative, has the rights or option to acquire relevant securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise;
- (d) is party to any derivative whose value is determined by reference to its price and which results, or may result, in his having a long position in it; or
- (e) has received an irrevocable commitment in respect of the relevant securities; and

“relevant securities”

means shares in the relevant company (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof.

(b) **Interests and dealings in the Ordinary Shares**

- (i) As at the close of business on 28 February 2019 (being the latest practicable date prior to the publication of this Document), the interests of the members of the Concert Party (including CCFSL) and their immediate families and connected persons, the directors of Committed Capital (including CCFSL), any person with whom the Concert Party (including CCFSL) has an arrangement, all of which are beneficial unless otherwise stated, in relevant securities of the Company (as shown in the Company's registers or which have been notified to the Company) are as follows:

<i>Concert Party Member</i>	<i>Total No. of Existing Ordinary Shares</i>	<i>Percentage of Issued Share Capital</i>	<i>Max No. of Ordinary Shares following Firm Placing and Firm Subscription</i>	<i>Percentage of Enlarged Share Capital following Firm Placing and Firm Subscription</i>	<i>Max No. of Ordinary Shares following Admission[^]</i>	<i>Percentage of Enlarged Share Capital following Admission[^]</i>
Committed Capital Limited	238,912*	0.33%	1,193,893	1.45%	1,193,893	1.12%
Committed Capital Financial Services Limited	14,478,422**	20.23%	18,368,194	22.32%	34,662,181	32.41%
Steve Harris	–	–	–	–	–	–
Timothy Steel	–	–	–	–	–	–
Mark Blandford	3,134,434***	4.38%	3,986,222	4.84%	4,574,462	4.28%
Judy Welch	153,844****	0.21%	284,563	0.35%	284,563	0.27%
Else Thomson	12,500	0.02%	32,108	0.04%	32,108	0.03%
Total	18,018,112	25.17%	23,864,980	29.00%	40,747,207	38.10%

[^] Assumes Committed Capital subscribes for all of the Open Offer Shares.

* Legally held by MNL Nominees Limited, a Committed Capital nominee company.

** Legally held by Mainspring Nominees (8) Limited, a Committed Capital nominee company.

*** Of which 1,000,000 Existing Ordinary Shares are legally held by Rockridge Investments S A, a company wholly owned by Mark Blandford and 2,134,434 Existing Ordinary Shares are legally held by Mainspring Nominees (8) Limited, a Committed Capital nominee company.

**** These Existing Ordinary Shares are legally held by Mainspring Nominees (8) Limited, a Committed Capital nominee company, in equal proportions on behalf of Judy Welch's four children.

- (ii) As at the disclosure date, Committed Capital Limited (through its nominee MNL Nominees Limited) and CCFSL (through its nominee Mainspring Nominees (8) Limited) have the right to subscribe for 859,482 Ordinary Shares and 2,433,785 Ordinary Shares respectively, pursuant to the terms of the Advance Subscription Agreement, further details of which are set out at paragraph 4.1(e) below. Of the 2,433,785 Ordinary Shares in respect of which CCFSL has a right to subscribe, Else Thomson has a beneficial interest in 17,647 Ordinary Shares, Mark Blandford has a beneficial interest in 766,609 Ordinary Shares and Judy Welch has a beneficial interest in 117,647 Ordinary Shares.
- (iii) As at the disclosure date, save as disclosed in paragraph 3(b)(i) and paragraph 3(b)(ii) above, no member of the Concert Party (including CCFSL), the directors of Committed Capital (including CCFSL), nor any person acting or presumed to be acting in concert with the members of the Concert Party (including CCFSL), has an interest in or right to subscribe for any relevant securities of the Company including any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, nor had any of the foregoing dealt in any relevant securities of the Company during the Disclosure Period.
- (iv) As at the disclosure date, no member of the Concert Party (including CCFSL), the directors of Committed Capital (including CCFSL), nor any person acting or presumed to be acting in concert with the members of the Concert Party (including CCFSL), has borrowed or lent any relevant securities of the Company (including any financial collateral arrangements of the kind referred to

in Note 4 on Rule 4.6 of the Code), save for any borrowed shares which have either been on-lent or sold.

- (v) As at the close of business on 28 February 2019 (being the latest practicable date prior to the publication of this Document) and on Admission, the interests of the Directors, any person acting in concert with the Company and any person with whom the Company, or any person acting in concert with the Company, has an arrangement, all of which are beneficial unless otherwise stated, in relevant securities of the Company (as shown in the Company's registers or which have been notified to the Company) are as follows:

<i>Director</i>	<i>Total No. of Existing Ordinary Shares</i>	<i>Percentage of Issued Share Capital</i>	<i>No. of Ordinary Shares following Admission</i>	<i>Percentage of Enlarged Share Capital following Admission</i>
Mike Lord	1,300,000	1.82%	1,300,000	1.22%
Barry Gamble	1,225,000	1.71%	1,225,000	1.15%
John Shermer	896,666	1.25%	896,666	0.84%
Kevin Edwards	173,076	0.24%	173,076	0.16%
Jason Elliot	90,681	0.13%	90,681	0.08%
Steve Harris	–	–	–	–
Total	<u>3,685,423</u>	<u>5.15%</u>	<u>3,685,423</u>	<u>3.45%</u>

- (vi) As at the close of business on 28 February 2019 (being the latest practicable date prior to the publication of this Document), the Directors, any person acting in concert with the Company and any person with whom the Company, or any person acting in concert with the Company, has an arrangement have the following options or other rights to subscribe for relevant securities of the Company:

<i>Director</i>	<i>Date of grant</i>	<i>Number of Ordinary Shares subject to option</i>	<i>Exercise price (pence)</i>	<i>Date from which exercisable</i>
Mike Lord	30/09/2015	200,000	28.0	30/09/2018*
John Shermer	30/09/2015	200,000	28.0	30/09/2018*
John Shermer	13/02/2017	400,000	13.0	14/02/2020**
John Shermer	09/04/2018	350,000	16.0	09/04/2021***
Kevin Edwards	19/03/2015	100,000	29.0	31/03/2018*
Kevin Edwards	13/02/2017	400,000	13.0	14/02/2020**
Kevin Edwards	09/04/2018	350,000	16.0	09/04/2021***
Jason Elliot	02/07/2018	500,000	16.0	02/07/2021***

* Share options granted to Directors will only vest if the Company's share price has reached 80 pence at any time but will not be exercisable until the date noted above.

** Share options granted to Directors will only vest if the Company's share price has reached 40 pence at any time but will not be exercisable until the date noted above.

*** Share options granted to Directors will only vest if the Company's revenue targets have been achieved with the maximum award being made at revenue of £6.0 million for the financial year ended 30 September 2018 and £12.0 million for the financial year ending 30 September 2019.

- (vii) As at the disclosure date, save as disclosed in paragraph 3(b)(v), and paragraph 3(b)(vi), neither the Directors, nor any persons acting in concert with the Company, nor any person with whom the Company or any person acting in concert with it has an arrangement, has an interest in or right to subscribe for any relevant securities of the Company including any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

- (viii) As at the disclosure date, neither the Company nor any person acting in concert with it has borrowed or lent any relevant securities of the Company (including any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code), save for any borrowed shares which have either been on-lent or sold.

(c) **Interests and dealings in the share capital of Committed Capital**

- (i) As at the disclosure date, the interests of the Company and Directors, all of which are beneficial unless otherwise stated, in relevant securities of Committed Capital are as follows:

<i>Member</i>	<i>Total No. of shares held in Committed Capital Limited</i>	<i>Percentage of issued share capital</i>
Steve Harris	65,760,000	44.67%
Total	<u>65,760,000</u>	<u>44.67%</u>

- (ii) As at the disclosure date, save as disclosed in paragraph 3(c)(i), neither the Company, the Directors, nor any member of their immediate families, related trusts or (so far as the Directors are aware) connected persons, nor any persons acting in concert with the Company, nor any person with whom the Company or any person acting in concert with it has an arrangement, has an interest in or right to subscribe for any relevant securities of any member of the Concert Party including any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

(d) **General**

- (i) As at the disclosure date there were no agreements, arrangements or understandings (including any compensation arrangement) between Committed Capital, or any member of the Concert Party (including CCFSL), and any of the Directors, recent directors, shareholders or recent shareholders of the Company or any person interested or recently interested in Ordinary Shares having any connection with or dependence upon the Transactions or the Rule 9 Waiver.
- (ii) No member of the Concert Party (including CCFSL) has entered into any agreement, arrangement or understanding to transfer any interest acquired in the Company as a result of the Fundraising.

4. Material contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Group and Committed Capital within the two years immediately preceding the date of this Document and are, or may be, material or are, or may, contain provisions under which any member of the Group or Committed Capital has an obligation or entitlement which is material to the Group or Committed Capital:

4.1 The Group

- (a) The Placing Agreement made between (1) the Company and (2) Stockdale pursuant to which Stockdale has agreed, subject to certain conditions, to act as agent for the Company and to use its reasonable endeavours to procure placees to subscribe for the Firm Placing Shares and the Conditional Placing Shares at the Issue Price.

The Placing Agreement is conditional upon, *inter alia*, Admission occurring on or before 8.00 a.m. on 20 March 2019 (or such later date as the Company and Stockdale may agree, being not later than 8.00 a.m. on 29 March 2019). The Placing Agreement contains warranties from the Company in favour of Stockdale in relation to, amongst other things, the accuracy of the information in this Document and other matters relating to the Company and its business. In addition, the Company has agreed to indemnify Stockdale in respect of certain liabilities it may incur in respect of the Firm Placing and the Conditional Placing. Stockdale has the right to

terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a breach of the warranties or a force majeure event.

Under the Placing Agreement and subject to it becoming unconditional and not being terminated in accordance with its terms, the Company has agreed to pay Stockdale a commission of: (i) 5 per cent. on the value at the Issue Price of those Firm Placing Shares and Conditional Placing Shares placed with persons procured by Stockdale; and (ii) 1 per cent. on the value at the Issue Price of those Firm Placing Shares and Conditional Placing Shares placed with persons procured by the Company and a corporate finance fee of £75,000, together, in each case, with any applicable VAT.

The Placing Agreement is governed by English law and is subject to the exclusive jurisdiction of the English courts.

- (b) Subscription letters dated 28 February 2019 between (1) the Company and (2) certain investors (including Mainspring Nominees (8) Limited and MNL Nominees Limited as nominees for Committed Capital) pursuant to which the investors have agreed to subscribe for the Firm Subscription Shares and, conditional upon, amongst other things, the passing of the Resolutions and Admission, the Conditional Subscription Shares.
- (c) A relationship agreement dated 28 February 2019 and made between (1) the Company, (2) Committed Capital and (3) Stockdale to regulate the relationship between the Company and Committed Capital following Admission. The provisions of the relationship agreement ensure that the Company will at all times be capable of carrying on its business independently of Committed Capital and members of its group and that all transactions and arrangements between the Company and Committed Capital and members of its group will be at arm's length and on normal commercial terms. The relationship agreement will continue in full force and effect for so long as the Ordinary Shares are admitted to trading on AIM and Committed Capital is interested in 30 per cent. or more of the Company's issued ordinary share capital. The relationship agreement is governed by English law and is subject to the exclusive jurisdiction of the English courts.
- (d) An engagement letter dated 26 February 2019 and made between (1) the Company and (2) CCFSL pursuant to which CCFSL agreed to act as financial adviser to the Company on the Fundraising. Under that engagement letter the Company agreed to pay CCFSL a retainer fee of £30,000 plus VAT and a success fee equal to 5 per cent. of the value of any funds received as part of the Fundraising and sourced by CCFSL.
- (e) The Advance Subscription Agreement made between (1) Mainspring Nominees (8) Limited, (2) MNL Nominees Limited (together with Mainspring Nominees (8) Limited, the "**Subscribers**") and (3) the Company, pursuant to which the Subscribers agreed to make advance subscription funds available to the Company. On the terms of the Advance Subscription Agreement, the Subscribers made available to the Company an aggregate amount of £279,927.80 ("**Advance Subscription Funds**") on or around the date of the Advance Subscription Agreement which the Company has agreed to apply towards its general working capital purposes and such other purposes as the Company and the Subscribers may from time to time agree in writing.

The Advance Subscription Funds will automatically be applied to the subscription of Ordinary Shares (at the issue price applicable to the relevant event set out below) in the following circumstances:

- in the event of a fundraising by the Company of at least £250,000 on or before 31 March 2019 ("**Longstop Date**");
- in the event of an exit;
- on the Longstop Date (if no fundraising or exit has completed on or prior to that date); and
- in the event of an insolvency of the Company.

The Advance Subscription Agreement includes a small number of representations and warranties from the Company in favour of the Subscribers as to, amongst other things, the Company and the Ordinary Shares. The Advance Subscription Agreement is governed by English law and is subject to the exclusive jurisdiction of the English courts.

- (f) An engagement letter dated 25 January 2019 and made between (1) the Company and (2) CCFSL pursuant to which CCFSL agreed to act as financial adviser to the Company in connection with the subscription funds advanced under the Advance Subscription Agreement. Under that engagement letter the Company agreed to pay CCFSL a success fee equal to 5 per cent. of the value of any funds received pursuant to the Advance Subscription Agreement.
- (g) A facility agreement dated 5 December 2018 and made between LightwaveRF Technology Limited (“**LTL**”) and Finstock Capital Limited (“**Finstock**”) pursuant to which Finstock has made agreed to provide LTL with a term loan facility of £300,000, secured against, and repayable from, research and development tax credits receivable. Interest is payable on the loan at a rate of 1.5 per cent. per month. LTL has also paid an arrangement fee equal to 5 per cent. of the amount of the facility. The loan is repayable at any time before the first anniversary of the facility agreement. The Company has guaranteed LTL’s obligations under the facility agreement (pursuant to the terms of a guarantee and indemnity dated 5 December 2018 between the Company and Finstock) which has been secured by way of a debenture dated 5 December 2018 and made between the Company and Finstock creating fixed and floating charges over the undertaking, property and assets of the Company. The loan is also secured by way of a debenture dated 5 December 2018 and made between LTL and Finstock creating fixed and floating charges over the undertaking, property and assets of LTL.
- (h) Subscription letters dated on or around 3 November 2017 between the Company and certain investors (including Mainspring Nominees (8) Limited and MNL Nominees Limited as nominees for Committed Capital) pursuant to which the investors agreed to subscribe for Ordinary Shares at an issue price of 16 pence per Ordinary Share subject to the satisfaction of certain conditions which have since been satisfied.
- (i) An engagement letter dated 31 October 2017 and made between (1) the Company and (2) CCFSL pursuant to which CCFSL agreed to act as financial adviser to the Company on a proposed capital raising. Under that engagement letter the Company agreed to pay CCFSL a retainer fee of £7,500 and a success fee equal to 5 per cent. of the value of any funds received as part of the capital raising and sourced by CCFSL.
- (j) A placing agreement dated 27 October 2017 and made between (1) the Company and (2) Stockdale pursuant to which Stockdale agreed, subject to certain conditions, to act as agent for the Company and to use its reasonable endeavours to procure placees to subscribe for the Placing Shares and the VCT Placing Shares (as defined therein).

Under that placing agreement the Company agreed to pay Stockdale a commission equal to 5 per cent. of the value at the issue price of the Placing Shares and the VCT Placing Shares (as defined in the agreement) together with any applicable VAT.

- (k) An engagement letter dated 21 July 2017 and made between (1) the Company and (2) Stockdale pursuant to which the Company has appointed Stockdale as its nominated adviser and broker for the purposes of the AIM Rules. The Company agreed to pay Stockdale a fee of £60,000 (plus VAT) per annum which increased to £67,500 (plus VAT) per annum on the first anniversary of the engagement letter and will increase by a further £7,500 on the second anniversary of the engagement letter. Subsequent increases will be in line with the retail price index. The engagement letter contains certain undertakings and indemnities given by the Company in respect of, *inter alia*, compliance with applicable corporate laws and the AIM Rules. The Company has also agreed to notify and discuss with Stockdale any announcements the Company is required to make via RIS. Pursuant to these arrangements, Stockdale has agreed, *inter alia*, to guide the Directors as to their responsibilities and obligations under the AIM Rules. These arrangements are now terminable by the Company or Stockdale on three months’ written notice unless terminated by Stockdale in the event of a material breach by the Company of the terms of the engagement letter.

4.2 **Committed Capital**

- (a) The relationship agreement described in paragraph 4.1(c) above.

5. Significant change

Save as disclosed in Part I of this Document, there has been no significant change in the financial or trading position of the Group since 30 September 2018, being the date to which the Company's last audited results were published.

6. Market Quotations

The following table set out the Closing Prices for the first Business Day in each of the six months immediately prior to the date of this Document and for 28 February 2019 (being the latest practicable date prior to the publication of this Document):

<i>Date</i>	<i>Closing Price (pence)</i>
3 September 2018	10.0
1 October 2018	13.13
1 November 2018	8.40
3 December 2018	7.50
2 January 2019	7.50
1 February 2019	9.25
28 February 2019	9.0

7. Directors' Service Agreements

(a) Details of the service agreements of each of the Directors are set out below:

<i>Director</i>	<i>Date of Contract</i>	<i>Appointment Date</i>	<i>Basic Annual Salary (£)</i>	<i>Benefits</i>	<i>Term/notice period⁽¹⁾</i>
Barry Gamble	7 March 2014	3 April 2014	50,000	–	1 month's notice
Jason Elliot	27 June 2018	2 July 2018	160,000 ⁽²⁾	⁽³⁾	6 months' notice
Kevin Edwards	17 March 2015	24 May 2016 ⁽⁴⁾	110,000 ⁽²⁾	⁽³⁾	Kevin Edwards – 3 months' notice Company – 6 months' notice
Steve Harris	1 March 2017	1 September 2015	25,000	–	3 year term 1 month's notice
Mike Lord	1 March 2017	29 September 2010	37,500 ⁽⁵⁾	–	3 year term 1 month's notice
John Shermer	20 November 2008	19 March 2015 ⁽⁶⁾	110,000 ⁽²⁾	⁽³⁾	12 months' notice

(1) Unless otherwise stated these agreements have an indefinite term and any notice period stated is the notice to be given by either party.

(2) Each of these directors may receive an annual cash bonus from a predetermined bonus pool, payment of which is contingent on the satisfaction of certain performance conditions.

(3) Each of these directors receives the benefit of private health insurance, a contribution to a pension scheme of 2 per cent. of annual salary and an annual car allowance of £7,200.

(4) Kevin Edward's continuous employment began on 17 March 2015.

(5) Of which £17,500 is paid to Drol Investments Limited for consultancy services.

(6) John Shermer's continuous employment began on 5 July 2007.

(b) None of the agreements set out in paragraph 7(a) above have been entered into or amended during the six months prior to the date of this Document.

(c) Save as disclosed above, there are no other contracts of service between Directors and the Company or any of its subsidiaries.

- (d) Committed Capital has not entered into or reached an advanced stage of discussions on any form of incentivisation arrangements with any members of the Company's management who are interested in Ordinary Shares.

8. General

- 8.1 The total gross proceeds to be raised by the Fundraising is £3.0 million. The estimated net proceeds accruing to the Company after deductions of commissions and expenses (excluding VAT) will be £2.7 million. It is proposed that such proceeds will be used to continue to scale the Company's business, expand sales and marketing, execute on obligations in Europe and provide working capital.
- 8.2 Stockdale has given and not withdrawn its written consent to the inclusion in this Document of its name and the references thereto in the form and context in which they appear.
- 8.3 This document has been prepared in accordance with current UK tax legislation, practice and concession and interpretation thereof. Such legislation and practice may change and the current interpretation may therefore no longer apply.
- 8.4 Where information which appears in this Document has been sourced from a third party, the information has been accurately reproduced. As far as the Directors and the Company are aware and able to ascertain from such information supplied or published by a third party, no facts have been omitted which would render any reproduced information false, inaccurate or misleading.

9. Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of the Company from the date of this Document until the end of the offer period (as defined in the Code). The documents will also be available from the Company's website, www.lightwaverf.com.

1. the memorandum and articles of association of the Company;
2. the memorandum and articles of association of Committed Capital Limited;
3. the memorandum and articles of association of CCFSL;
4. the financial information on the Company referred to in Part IV of this Document;
5. the financial information on Committed Capital referred to in Part V of this Document;
6. the written consent of Stockdale referred to in paragraph 8.2 of this Part VI;
7. the material contracts referred to in paragraph 4 of this Part VI; and
8. this Document.

10. Documents incorporated by reference

The following information is incorporated by reference into this Document pursuant to Rule 24.15 of the City Code and is available free of charge on the Company's website, www.lightwaverf.com.

1. the financial information on the Company referred to in Part IV of this Document;
2. the financial information on Committed Capital referred to in Part V of this Document;

Any Shareholder, person with information rights or other person to whom this Document is sent may request, in writing or verbally, a hard copy of each of the documents above incorporated by reference in this Document. Hard copies will only be provided where valid requests are received from such persons. Requests for copies of any such documents should be directed to Neville Registrars on 0121 585 1131 or if calling from outside the UK on +44 121 585 1131. Calls to the Neville Registrars' help lines are charged at your provider's standard rates for national or, as the case may be, international calls. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Please note that Neville Registrars cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

11. Availability of this Document

A copy of this Document is available, subject to certain restrictions relating to persons resident in the United States of America, Canada, Australia, the Republic of South Africa, Japan, or any other jurisdiction where distribution of this Document would be in breach of any applicable law and/or regulation, at the Company's website www.lightwaverf.com. Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this Document.

DEFINITIONS

The following definitions apply throughout this Document and the accompanying Form of Proxy and Application Form, unless the context requires otherwise or unless it is otherwise specifically provided:

“Admission”	admission of the New Ordinary Shares (other than the Deferred Settlement Shares) to trading on AIM in accordance with the AIM Rules
“Advance Subscription Agreement”	the advance subscription agreement entered into between the Company, Mainspring Nominees (8) Limited and MNL Nominees Limited dated 25 January 2019 (as varied by a deed of variation between the same parties dated 27 February 2019), further details of which are set out at paragraph 4.1(e) of Part VI of this Document
“AIM”	AIM, a market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange
“Announcement”	the announcement by the Company via an RIS on 28 February 2019 of the Fundraising
“Application Form”	the application form relating to the Open Offer which accompanies this Document (where relevant)
“Basic Entitlement”	the number of Open Offer Shares for which Qualifying Holders are entitled to subscribe at the Issue Price pro rata to their holding of Qualifying Shares pursuant to the Open Offer as described in Part III of this Document
“Business Day”	a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London, England
“Canada”	Canada, its provinces and territories and all areas subject to its jurisdiction and any political sub-divisions thereof
“CCFSL”	Committed Capital Financial Services Limited
“certificated” or “certificated form”	recorded on a company’s share register as being held in certificated form (i.e. not in CREST)
“City Code”, “Code” or “Takeover Code”	the City Code on Takeovers and Mergers, as amended from time to time
“Closing Price”	the closing middle market quotation of an Existing Ordinary Share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange
“Committed Capital”	Committed Capital Limited, and where the context requires any or all of the other members of the Committed Capital Limited group of companies
“Companies Act” or “Act”	Companies Act 2006 (as amended)
“Company” or “LightwaveRF”	LightwaveRF plc (registered number 06690180)
“Concert Party”	together Committed Capital Limited, CCFSL, Steve Harris, Timothy Steel, Else Thomson, Mark Blandford and Judy Welch

“Conditional Placing”	the conditional placing by the Company of the Conditional Placing Shares with certain institutional and other investors pursuant to the Placing Agreement as announced on 28 February 2019
“Conditional Placing Shares”	7,097,280 Ordinary Shares the subject of the Conditional Placing
“Conditional Subscription”	the conditional subscription by Committed Capital for the Conditional Subscription Shares
“Conditional Subscription Shares”	11,594,500 Ordinary Shares the subject of the Conditional Subscription
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CREST Courier and Sorting Services Manual, Daily Timetable, CREST Application Procedures and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 November 1996 and as amended since) as published by Euroclear
“CREST member”	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations)
“CREST Participant”	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations)
“CREST payment”	shall have the meaning given in the CREST Manual
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)
“CREST sponsor”	a CREST Participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member (which includes all-CREST personal members)
“Deferred Settlement Shares”	10,329,600 New Ordinary Shares forming part of the Conditional Subscription
“Directors” or “Board”	the directors of the Company whose names appear paragraph 2.1 of Part VI of this Document
“Document” or “Circular”	this document which for the avoidance of doubt does not comprise a prospectus (under the Prospectus Rules) or an admission document (under the AIM Rules)
“EIS”	the Enterprise Investment Scheme and related reliefs as detailed in Part 5 of the Income Tax Act 2007 and in sections 150A to 150D and Schedule 5B and 5BA of the Taxation of Chargeable Gains Act 1992 (amended)
“enabled for settlement”	in relation to Basic Entitlements and Excess Entitlements, enabled for the limited purpose of settlement of claim transactions and USE transactions

“Enlarged Share Capital”	the issued share capital of LightwaveRF immediately following Admission (on the assumption that the Open Offer is fully subscribed)
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Excess Application Facility”	to the extent that Basic Entitlements to Open Offer Shares are not subscribed for by Qualifying Shareholders, such Open Offer Shares will be available to satisfy excess applications, subject to a maximum of 5,964,387 Open Offer Shares in aggregate, as described in Part III of this Document
“Excess CREST Open Offer Entitlements”	in respect of each Qualifying CREST Shareholder who has taken up his Basic Entitlement in full, the entitlement to apply for Open Offer Shares in addition to his Basic Entitlement credited to his stock account in CREST, pursuant to the Excess Application Facility, which may be subject to scaling back or disallowance in accordance with the provisions of this Document
“Excess Entitlements”	the entitlement for Qualifying Shareholders to apply to acquire any number of Open Offer Shares subject to the limit on applications under the Excess Application Facility, as described in Part III of this Document
“Excess Shares”	the Open Offer Shares applied for under the Excess Application Facility
“Existing Ordinary Shares”	the 71,572,647 Ordinary Shares in issue at the date of this Document
“FCA”	the Financial Conduct Authority of the UK
“Firm Placing”	the firm placing by the Company of the Firm Placing Shares with certain institutional and other investors pursuant to the Placing Agreement as announced on 28 February 2019
“Firm Placing Shares”	4,373,322 new Ordinary Shares issued pursuant to the Firm Placing
“Firm Subscription”	the firm subscription by certain institutional and other investors of the Firm Subscription Shares as announced on 28 February 2019
“Firm Subscription Shares”	6,346,678 new Ordinary Shares issued pursuant to the Firm Subscription
“Form of Proxy”	the form of proxy accompanying this Document for use at the General Meeting
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Fundraising”	together the Conditional Placing, the Conditional Subscription and the Open Offer
“General Meeting”	the general meeting of the Company as described in this Document, notice of which is set out at the end of this Document
“Group”	the Company and its subsidiaries
“HMRC”	Her Majesty’s Revenue and Customs

“Independent Directors”	the Directors, other than Steve Harris
“Independent Shareholders”	the Shareholders who are independent of the Concert Party
“ISIN”	International Securities Identification Number
“Issue Price”	8.5 pence per New Ordinary Share
“Japan”	Japan, its cities, prefectures, territories and possessions
“London Stock Exchange”	London Stock Exchange plc
“Member Account ID”	the identification code or number attached to any member account in CREST
“Money Laundering Regulations”	the Money Laundering Regulations 2017 (as amended and supplemented from time to time)
“Neville Registrars” or “Registrars”	Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD
“New Ordinary Shares”	the Conditional Placing Shares, the Conditional Subscription Shares and the Open Offer Shares
“Notice of General Meeting”	the notice of General Meeting set out at the end of this Document
“Open Offer”	the proposed conditional issue and allotment at 8.5 pence per share of the Open Offer Shares to Qualifying Shareholders as further described in this Document
“Open Offer Shares”	the maximum of 5,964,387 Ordinary Shares to be issued and allotted to Qualifying Shareholders pursuant to the Open Offer
“Ordinary Shares”	ordinary shares of 5 pence each in the capital of the Company
“Overseas Shareholders” or “Overseas Holders”	Shareholders with registered addresses in, or who are citizens, residents or nationals of, jurisdictions outside the UK
“Panel” or “Takeover Panel”	the Panel on Takeovers and Mergers
“Participant ID”	the identification code or membership number used in CREST to identify a particular CREST member or other CREST Participant
“Placees”	subscribers for the Conditional Placing Shares
“Placing Agreement”	the placing agreement entered into between the Company and Stockdale dated 28 February 2019, further details of which are set out at paragraph 4.1(a) of Part VI of this Document
“Prospectus Rules”	the Prospectus Rules made in accordance with EU Prospectus Directive 2003/71/EC
“Qualifying Holders” or “Qualifying Shareholders”	Shareholders whose names appear on the register of members of LightwaveRF on the Record Date as holders of Qualifying Shares and who are eligible to be offered Open Offer Shares under the Open Offer in accordance with the terms and conditions set out in this Document
“Qualifying non-CREST Holders” or “Qualifying non-CREST Shareholders”	Qualifying Holders holding Existing Ordinary Shares in certificated form

“Qualifying Shares”	the Ordinary Shares that qualify for the Open Offer
“Receiving Agent”	Neville Registrars Limited
“Record Date”	6.00 p.m. on 28 February 2019
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting
“Restricted Jurisdiction”	the United States, Australia, Canada, Japan, New Zealand, the Republic of Ireland and the Republic of South Africa or any other jurisdiction where the distribution of this Document and/or the offer or sale of Ordinary Shares would constitute a breach of local securities laws or regulations
“RIS”	a regulatory information service as defined by the AIM Rules
“Rule 9 Waiver”	the waiver by the Panel of the obligations which would otherwise arise on the part of any member of the Concert Party (individually or collectively) under Rule 9 of the Takeover Code on completion of the Transactions
“Securities Act”	the US Securities Act of 1933, as amended
“Shareholders”	holders of Ordinary Shares
“Sterling”	pounds sterling, the basic unit of currency in the UK
“Stockdale”	Stockdale Securities Limited
“Transactions”	together the Conditional Placing, the Conditional Subscription, the Open Offer and the Rule 9 Waiver
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Listing Authority”	the UK Listing Authority, being the FCA acting as competent authority for the purposes of Part IV of FSMA
“uncertificated” or “uncertificated form”	recorded on the relevant register or other record of the share or other security as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by way of CREST
“USE”	unmatched stock event
“VAT”	value added tax
“VCT”	a Venture Capital Trust under Part 6 of the Income Tax Act 2007
“29.9 per cent. Aggregate Limit”	the restriction on the number of Open Offer Shares that each Qualifying Shareholder may receive under the Open Offer on the basis that no Qualifying Shareholder (other than Committed Capital but only to the extent permitted by the Rule 9 Waiver) shall be entitled to receive in excess of such number of Open Offer Shares as would bring its aggregate interest in the Company to more than 29.9 per cent. of the Enlarged Share Capital (calculated as described in paragraph 2 of Part III of this Document)

NOTICE OF GENERAL MEETING

LightwaveRF plc

(incorporated and registered in England and Wales under number 06690180)

NOTICE is hereby given that a General Meeting of LightwaveRF plc will be held at the offices of the Company, Innovation Birmingham Campus, Faraday Wharf, Holt Street, Birmingham B7 4BB on 19 March 2019 at 11.00 a.m. to consider and, if thought fit, pass the following resolutions, of which resolutions numbered 1 and 2 will be proposed as Ordinary Resolutions and the Resolution numbered 3 will be proposed as a Special Resolution.

Words and expressions used or defined in the circular to shareholders published by the Company dated 1 March February 2019 ("**Circular**") will have the same meaning in this Notice.

ORDINARY RESOLUTIONS

1. **That** the waiver granted by the Panel on Takeovers and Mergers described in the Circular of the obligation under Rule 9 of the City Code for any member of the Concert Party (individually or collectively) to make a general offer to the shareholders of the Company as a result of: (a) its participation in the Conditional Subscription and/or (b) it taking up its Basic Entitlement under the Open Offer in full and subscribing for all of the remaining Open Offer Shares using the Excess Application Facility be and is hereby approved.
2. **That** the Directors be and they are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 ("**Act**") to exercise all powers of the Company to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being "**Relevant Securities**") up to an aggregate nominal amount of £1,232,900 in connection with the Conditional Placing, the Conditional Subscription and the Open Offer provided that this power shall expire on 30 June 2019 except that the Company may before the expiry of this power make an offer or agreement which would or might require Relevant Securities or equity securities to be allotted or granted (as applicable) in pursuance of such an offer or agreement as if this power had not expired.

SPECIAL RESOLUTION

3. **That** the Directors be and they are empowered pursuant to section 570(1) of the Act to allot equity securities (as defined in section 560(1) of the Act) of the Company wholly for cash pursuant to the authority of the directors under section 551 of the Act conferred by Resolution 2 above as if section 561(1) of the Act did not apply to such allotment in connection with the Conditional Placing, the Conditional Subscription and the Open Offer, provided that this power shall expire on 30 June 2019 except that the Company may before the expiry of this power make an offer or agreement which would or might require Relevant Securities or equity securities to be allotted or granted (as applicable) in pursuance of such an offer or agreement as if this power had not expired.

By Order of the Board

Kevin Edwards
Company Secretary

LightwaveRF plc
Innovation Birmingham Campus,
Faraday Wharf,
Holt Street,
Birmingham B7 4BB

Dated 1 March 2019

Notes:

Entitlement to attend and vote

1. Only those members registered on the Company's register of members at 6.00 p.m. on 15 March 2019 or, if this General Meeting (the "Meeting") is adjourned, at 6.00 p.m. on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the Meeting.

Website giving information regarding the Meeting

2. Information regarding the Meeting is available from www.lightwaverf.com.

Attending in person

3. If you wish to attend the Meeting in person, you will need to bring with you a form of formal identification which includes your photograph, such as a passport or a picture driving licence.

Appointment of proxies

4. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
5. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
6. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please complete and return the enclosed form of proxy and return it to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD in accordance with the instructions thereon.
7. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

8. The notes to the proxy form explain how to direct your proxy to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD in accordance with the instructions thereon; and
- received by Neville Registrars (at the above address) no later than 11.00 a.m. on 15 March 2019.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

9. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

10. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Neville Registrars on 0121 585 1131 or if calling from outside the UK on +44 121 585 1131, where relevant, quoting the allotment number of your Application Form. Calls to Neville Registrars' help line number are charged at your provider's standard rates.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

11. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Neville Registrars no later than 11.00 a.m. on 15 March 2019.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified, then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

12. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued shares and total voting rights

13. As at 6.00 p.m. on 28 February 2019, the Company's issued share capital comprised 71,572,647 ordinary shares of 5 pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00 p.m. on 28 February 2019 is 71,572,647.

Questions at the Meeting

14. The Company will answer any question you ask relating to the business being dealt with at the Meeting unless:
 - (a) answering the question would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information;
 - (b) the answer has already been given on a website in the form of an answer to a question; or
 - (c) it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

Communication

15. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):
 - (a) in writing to the Company Secretary, LightwaveRF plc, Innovation Birmingham Campus, Faraday Wharf, Holt Street, Birmingham B7 4BB;
 - (b) by email to info@nevilleregistrars.co.uk or any electronic address provided either in this notice of general meeting or any related documents (including the chairman's letter and proxy form),to communicate with the Company for any purposes other than those expressly stated.

