

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR IMMEDIATE RELEASE**

16 August 2019

**LightwaveRF plc**  
("LightwaveRF" or the "Company")

**Placing and Subscription to raise a minimum of £1.3 million  
and  
Proposed Waiver of Rule 9 of the Takeover Code**

LightwaveRF (AIM: LWRF.L), the leading smart homes solutions provider, announces firm and conditional placings and subscriptions.

**Transaction Highlights**

- Firm Placing and Firm Subscription to raise approximately £1.1 million through the issue of 15,806,811 new Ordinary Shares, in aggregate, to new and existing investors at 7 pence per share
- Conditional Placing and Conditional Subscription to raise a minimum of approximately £0.2 million through the issue of a minimum of 2,764,617 new Ordinary Shares, in aggregate, to existing investors at 7 pence per share subject to Shareholder approval
- The Placings are being conducted by way of an accelerated bookbuild to raise gross proceeds of a minimum of £0.7 million, in aggregate, with the bookbuild to commence immediately following this announcement
- New Ordinary Shares to be issued at 7 pence per share which represents a discount of 11.2 per cent. to the Closing Price of 7.88 pence on 15 August 2019

The above transaction highlights and the summary announcement below should be read in conjunction with the full text of the announcement set out below and the appendix at the end of this announcement (the "**Appendix**").

A circular, containing details of the Transactions, is expected to be posted to Shareholders in due course. Capitalised terms in this announcement are defined as set out at the end of this announcement.

LightwaveRF announces that it proposes to raise, in aggregate, approximately £1.1 million before expenses, by way of a placing of 10,000,000 new Ordinary Shares (the "**Firm Placing Shares**") and a subscription of 5,806,811 new Ordinary Shares (the "**Firm Subscription Shares**") at 7 pence per share (the "**Issue Price**"). In addition, the Company announces that it proposes to raise, in aggregate, up to approximately £0.2 million, before expenses, by way of a conditional placing of up to 2,857,142 new Ordinary Shares (the "**Conditional Placing Shares**") and a conditional subscription to raise a minimum of approximately £0.2 million by the issue of 2,764,617 new Ordinary Shares (the "**Conditional Subscription Shares**") at the Issue Price. The issue of both the Conditional Placing Shares and the Conditional Subscription Shares is subject to the passing of the Resolutions at the General Meeting.

The Issue Price represents a discount of 11.2 per cent. to the Closing Price of 7.88 pence on 15 August 2019, the last trading day prior to this announcement.

The Company is seeking to raise funds by way of the Fundraising to continue to scale the business, expand sales and marketing, execute on obligations in Europe and provide working capital. The Board believes the additional funds will accelerate the Company into becoming a significant, profitable Smart Home device and technology player with leading technology, IP and patents. It will also help build the LightwaveRF brand and allow the Company to expand globally and exploit adjacent opportunities (for example, B2B and data).

Following completion of the Fundraising, the Company confirms that it will have sufficient working capital for its present operational requirements. If the Fundraising is not successful, it may give rise to a further funding requirement. In addition, the Company is in advanced discussions with a third party regarding a finance facility to fund stock holding and procurement of new stock from LightwaveRF's partners. A further announcement will be made in due course.

LightwaveRF has entered into a placing agreement (the "**Placing Agreement**") with Shore Capital which is acting as broker in relation to the Placing. Pursuant to the Placing Agreement, Shore Capital has agreed, in accordance with its terms, to use reasonable endeavours to place the Placing Shares with certain new and existing institutional and other investors. The Placings are not underwritten. Further details of the Placing Agreement can be found in the terms and conditions of the Placings contained in the Appendix to this announcement (which forms part of this announcement).

The Placings are subject to the terms and conditions set out below. Shore Capital will commence a bookbuilding process in respect of the Placings (the "**Bookbuild**"), which will start with immediate effect following the release of this Announcement. The Firm Placing Shares and the Conditional Placing Shares will, when issued, be credited as fully paid and will rank *pari passu* with the Existing Ordinary Shares including the right to receive all future dividends and distributions declared, made or paid by reference to a record date falling after their issue. The Firm Placing Shares will be issued pursuant to the Company's existing share authorities. However, the Conditional Placing Shares will be issued pursuant to the new authorities to be granted at the General Meeting which will be conditional on the passing of the Resolutions.

The Company has applied for the Firm Placing Shares and the Firm Subscription Shares to be admitted to trading on AIM and will apply for the Conditional Placing Shares and Conditional Subscription Shares to be admitted to trading on AIM. It is expected that First Admission will take place and that trading in the Firm Placing Shares and Firm Subscription Shares will commence at 8:00 a.m. on 20 August 2019 and that Second Admission will take place and that trading in the Conditional Placing Shares and Conditional Subscription Shares (other than the Deferred Settlement Shares) will commence at 8:00 a.m. on the next Business Day following the General Meeting.

The Company has agreed that settlement be deferred in respect of 1,428,571 new Ordinary Shares, forming part of the Conditional Subscription. As a result, the Deferred Settlement Shares will be allotted no later than 30 October 2019 and dealings in these shares are expected to commence no later than 8.00 a.m. on 31 October 2019.

As part of the Placings, Placing Shares will be issued to certain Placees seeking relief under the Enterprise Investment Scheme and to companies that are approved as Venture Capital Trusts. The Company has not applied for advance assurance from HMRC to authorise the Company to issue compliance certificates under section 204(1) of the Income Tax Act 2007 in respect of the New Ordinary Shares. The Company has not received any advance assurance from HMRC as regards whether the New Ordinary Shares will be eligible for EIS tax relief or 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 be, or 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. Consequently, there is no guarantee that any of the New Ordinary Shares will qualify for EIS relief or be a “qualifying holding” for the purposes of investment by VCTs.

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.

The timing of the closing of the Bookbuild and allocations shall be at the discretion of LightwaveRF and Shore Capital. However, the Bookbuild is expected to close no later than 5.30 p.m. today. Members of the public are not eligible to participate in the Placings.

A further announcement will be made following the close of the Bookbuild.

By choosing to participate in the Placings and by making a verbal offer to acquire Ordinary Shares to be issued under the Placings, investors will be deemed to have read and understood this announcement (including the Appendix) in its entirety and to be making such offer on the terms and subject to the conditions in this announcement, and to be providing the representations, warranties and acknowledgements contained in the Appendix.

#### **Background to and reasons for the Fundraising**

Since its fundraising earlier this year, the Company has continued to make considerable progress on a number of fronts. In June 2019, it received an order for €568,000 from its new European distributor, Tech Data. The first order from Tech Data, which was delivered at the end of June, is principally to supply retailers in Germany and the Netherlands with LightwaveRF's new European Smart range of hubs, dimmers and sockets. The Company announced last month that it had signed an agreement with Google to jointly market its LightwaveRF compatible smart speakers, making it the first installed Smart Lighting manufacturer in the UK to offer the convenience of voice-controlled lighting in one starter kit purchase. The partnership also further reinforces LightwaveRF's position as the brand that offers the most convenient and affordable installed Smart Lighting solution available on the market.

In conjunction with national certification and regulatory bodies Certsure and NICEIC, LightwaveRF has recently developed the LightwaveRF PRO training scheme. Over 300 electrical contractors have already enrolled for this training, all of whom pay a fee to attend the one-day course, after which they are fully conversant with the installation and operation of LightwaveRF devices. The feedback from the early training sessions held have been very positive and a further 10 events are currently planned. LightwaveRF has recently completed an integration program to enable its devices to be operated through the Samsung SmartThings platform.

The Company's strong focus on revenue growth is continuing. The improvements made to direct to consumer sales and distribution partnerships in the second half of its year ended 30 September 2018 enabled the Company to more than double first half revenue and this strong growth continues.

The Board believes that the Smart Home market is at an inflection point which presents a unique opportunity for LightwaveRF to establish itself as the UK's leading independent Smart Home brand, to expand into Europe and leverage its relationship with Apple into C2C (Corporate to Consumer) projects and also with other major players such as Amazon, Google and Resideo.

### **Current trading and prospects**

In its interim results for the six months ended 31 March 2019, the Company announced that during the period revenue more than doubled to £2.50 million (2018: £1.13 million) being approximately 90 per cent. of the revenue generated of £2.81 million for the whole of the year ended 30 September 2018 (“FY2018”). Gross profit also doubled to £0.95 million (2018: £0.46 million) exceeding the £0.83 million achieved for the whole of FY2018 despite slightly lower margins of 37.9 per cent. (2018: 40.6 per cent.) from the decision to reduce stocks of the Connect Series range. Although gross margin was held back by this, encouragingly it was above the underlying 35.3 per cent. for FY2018.

On 15 July 2019, the Company announced a trading update for the three months ended 30 June 2019, being the third quarter of its financial year ending 30 September 2019. Revenue in the quarter increased by 67 per cent. to £1.27 million compared with the same period last year (Q3 2018: £0.76 million), whilst revenue for the first three quarters of the financial year increased by 98 per cent. to £3.77 million (2018: £1.90 million).

### **Concert Party**

On 1 March 2019, the Company posted a circular to its shareholders, which set out, *inter alia*, details of the Concert Party. The Concert Party comprises Committed Capital Financial Services Limited, Committed Capital Limited, Steven Harris, Timothy Steel, Mark Blandford, Judy Welch and Else Thomson, all of whom are presumed to be acting in concert under the Takeover Code.

The Concert Party has agreed to subscribe for, in aggregate, 5,806,811 new Ordinary Shares under the Firm Subscription and 2,764,617 new Ordinary Shares under the Conditional Subscription. Consequently, on completion of the Fundraising, the Concert Party will hold, in aggregate, 47,153,454 Ordinary Shares, representing approximately 38.16 per cent. of the Enlarged Share Capital. In this instance, the Concert Party’s acquisition of any 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 Company has applied to the Panel for a waiver of Rule 9 of the Takeover Code in order to permit the Conditional Subscription by the Concert Party without triggering an obligation on the part of any member of the Concert Party (individually or collectively) to make a general offer for the Company.

### **Application for admission**

Application has been made for the Firm Placing Shares and the Firm Subscription Shares to be admitted to trading on AIM and application will be made for the Conditional Placing Shares and the Conditional Subscription Shares to be admitted to trading on AIM. Dealings in the Firm Placing Shares and the Firm Subscription Shares are expected to commence at 8.00 a.m. on 20 August 2019. The Firm Placing Shares and the Firm Subscription Shares, when issued, will rank *pari passu* with the Existing Ordinary Shares. Subject to the passing of the Resolutions, dealings in the Conditional Placing Shares and the Conditional Subscription Shares (other than the Deferred Settlement Shares) are expected to commence at 8.00 a.m. the next Business Day following the date of the General Meeting. The admission of the Deferred Settlement Shares to trading on AIM is expected, and dealings in the Deferred Settlement Shares are expected to commence, no later than 8.00 a.m. on 31 October 2019. The Conditional Placing Shares and the Conditional Subscription Shares, when issued, will rank *pari passu* with the Existing Ordinary Shares, the Firm Placing Shares and the Firm Subscription Shares.

**This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 ("MAR"), encompassing information relating to the Fundraising as described above, and is disclosed in accordance with the Company's obligations under Article 17 of MAR.**

For further enquiries please contact:

**LightwaveRF plc**

Jason Elliott, CEO  
Kevin Edwards, CFO

[www.LightwaveRF.com](http://www.LightwaveRF.com)

+44 (0) 121 250 3625

**Shore Capital**

Tom Griffiths / David Coaten

+44 (0) 20 7408 4050

**Yellow Jersey PR**

Charles Goodwin

[www.yellowjerseypr.com](http://www.yellowjerseypr.com)

+44 (0) 7747 788 221

**About LightwaveRF**

LightwaveRF is the UK's only fully integrated home automation company.

New customers typically buy a starter pack of Link Plus hub and smart dimmer which has Apple HomeKit compatibility, 2-way communication and built-in energy monitoring. Later adding other easy to install devices from the LightwaveRF range enables further in-home control, monitoring and automation of lighting, heating and power.

Devices may be operated manually, by smartphone or tablet-based apps and also through Google Assistant and Amazon Alexa voice control.

Leading tech industry publication 9to5 Mac describes LightwaveRF as "the best UK HomeKit solution for smart lighting".

For further information and "Newsletter sign up", please visit: [www.LightwaveRF.com/corporate/](http://www.LightwaveRF.com/corporate/)

**IMPORTANT INFORMATION**

Shore Capital, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as broker to the Company in relation to the Placings and is not acting for any other persons in relation to the Placings. Shore Capital is acting exclusively for the Company and for no one else in relation to the matters described in this announcement and is not advising any other person and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to clients of Shore Capital, or for providing advice in relation to the contents of this announcement or any matter referred to in it.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Shore Capital or by any of its affiliates or agents as to, or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefor is expressly disclaimed.

This announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's current expectations and projections about future events. These statements, which sometimes use words such as "anticipate", "believe", "intend", "estimate",

"expect" and words of similar meaning, reflect the directors' beliefs and expectations and involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by any such forward-looking statement. Statements contained in this announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this announcement is subject to change without notice and neither Shore Capital nor, except as required by applicable law, the Company assumes any responsibility or obligation to update publicly or review any of the forward-looking statements contained herein. You should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement.

## DEFINITIONS

The following definitions apply throughout this announcement, unless the context requires otherwise or unless it is otherwise specifically provided:

“Admission” or “Second Admission”	admission of the Conditional Placing Shares and Conditional Subscription Shares (other than the Deferred Settlement Shares) to trading on AIM in accordance with the AIM Rules
“AIM”	AIM, a market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange
“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
“Certsure”	Certsure LLP, a limited liability partnership registered in England and Wales with number OC379918
“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
“Company” or “LightwaveRF”	LightwaveRF plc (registered number 06690180)
“Concert Party”	together Committed Capital Financial Services Limited, Committed Capital Limited, Steven Harris, Timothy Steel, Mark Blandford, Judy Welch and Else Thomson
“Conditional Placing”	the conditional placing by the Company of the Conditional Placing Shares with certain institutional and other investors pursuant to the Placing Agreement
“Conditional Placing Shares”	up to 2,857,142 new Ordinary Shares the subject of the Conditional Placing
“Conditional Subscription”	the conditional subscription by Committed Capital for the Conditional Subscription Shares
“Conditional Subscription Shares”	a minimum of 2,764,617 new 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 Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)
“Deferred Settlement Shares”	1,428,571 new Ordinary Shares forming part of the Conditional Subscription

“Directors” or “Board”	the directors of the Company
“Document” or “Circular”	the circular, containing details of the Transactions, which is expected to be posted to Shareholders in due course and 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)
“Enlarged Share Capital”	the issued share capital of LightwaveRF immediately following Admission (and the admission to trading on AIM of the Deferred Settlement Shares)
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Existing Ordinary Shares”	the Ordinary Shares in issue at the date of this announcement
“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 detailed in this announcement
“Firm Placing Shares”	10,000,000 new Ordinary Shares issued pursuant to the Firm Placing
“Firm Subscription”	the firm subscription by certain institutional and other investors for the Firm Subscription Shares as detailed in this announcement
“Firm Subscription Shares”	5,806,811 new Ordinary Shares issued pursuant to the Firm Subscription
“First Admission”	admission of the Firm Placing Shares and the Firm Subscription Shares to trading on AIM in accordance with the AIM Rules
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Fundraising”	together the Placings, the Firm Subscription and the Conditional Subscription
“General Meeting”	the general meeting of the Company to approve the Resolutions, notice of which will be set out in the Circular
“Group”	the Company and its subsidiaries
“HMRC”	Her Majesty’s Revenue and Customs
“Investment Company Act”	the US Investment Company Act of 1940
“ISIN”	International Securities Identification Number
“Issue Price”	7 pence per new Ordinary Share
“Japan”	Japan, its cities, prefectures, territories and possessions
“London Stock Exchange”	London Stock Exchange plc

“NICEIC”	National Inspection Council for Electrical Installation Contracting, a trading brand of Certsure
“New Ordinary Shares”	together the Firm Placing Shares, the Firm Subscription Shares, the Conditional Placing Shares and the Conditional Subscription Shares
“Notice of General Meeting”	the notice of General Meeting which will be set out at the end of the Circular
“Ordinary Shares”	ordinary shares of 5 pence each in the capital of the Company
“Panel”	the Panel on Takeovers and Mergers
“Placees”	subscribers for the Firm Placing Shares and/or the Conditional Placing Shares
“Placing Agreement”	the placing agreement entered into between the Company and Shore Capital dated 16 August 2019
“Placing Shares”	the Firm Placing Shares and the Conditional Placing Shares
“Placings”	together the Firm Placing and the Conditional Placing
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting
“Rule 9 Waiver”	the waiver by the Panel of the obligations which would otherwise arise on the part of any member of 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
“Shore Capital”	Shore Capital and Corporate Limited (the Company's nominated adviser) and/or Shore Capital Stockbrokers Limited (the Company's broker), as the context requires
“Takeover Code”	the City Code on Takeovers and Mergers, as amended from time to time
“Transactions”	together the Firm Placing, the Firm Subscription, the Conditional Placing, the Conditional Subscription and the Rule 9 Waiver
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“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
“VCT”	a Venture Capital Trust under Part 6 of the Income Tax Act 2007

## APPENDIX - TERMS AND CONDITIONS OF THE PLACINGS

### IMPORTANT INFORMATION FOR INVITED PLACEEES ONLY REGARDING THE PLACINGS

THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX, DOES NOT CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY. THIS ANNOUNCEMENT AND THIS APPENDIX DO NOT CONSTITUTE OR CONTAIN ANY INVITATION, SOLICITATION, RECOMMENDATION, OFFER OR ADVICE TO ANY PERSON TO SUBSCRIBE FOR, OR OTHERWISE ACQUIRE OR DISPOSE OF, ANY SECURITIES OF THE COMPANY IN ANY JURISDICTION IN WHICH ANY SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL.

THIS ANNOUNCEMENT, INCLUDING THE APPENDIX AND THE INFORMATION CONTAINED THEREIN (TOGETHER, THE "**ANNOUNCEMENT**"), IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, CANADA, AUSTRALIA, THE REPUBLIC OF SOUTH AFRICA, JAPAN, THE REPUBLIC OF IRELAND OR NEW ZEALAND OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL. THIS ANNOUNCEMENT HAS NOT BEEN APPROVED BY THE LONDON STOCK EXCHANGE, NOR IS IT INTENDED THAT IT WILL BE SO APPROVED.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACINGS. THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND IS DIRECTED ONLY AT: (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA ("**EEA**") WHO ARE QUALIFIED INVESTORS AS DEFINED IN SECTION 86(7) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED ("**QUALIFIED INVESTORS**"), BEING PERSONS FALLING WITHIN THE MEANING OF ARTICLE 2(1)(e) OF DIRECTIVE 2003/71/EC AS AMENDED, INCLUDING BY THE 2010 PROSPECTUS DIRECTIVE AMENDING DIRECTIVE (DIRECTIVE 2010/73/EC) AND TO THE EXTENT IMPLEMENTED IN THE RELEVANT MEMBER STATE (THE "**PROSPECTUS DIRECTIVE**"); AND (B) IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO ARE (I) PERSONS HAVING PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) (INVESTMENT PROFESSIONALS) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**"); (II) PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER; OR (III) PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

THIS ANNOUNCEMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.

### INFORMATION TO DISTRIBUTORS

FOR THE PURPOSES OF THE PRODUCT GOVERNANCE REQUIREMENTS OF EACH OF (A) EU DIRECTIVE 2014/65/EU ON MARKETS IN FINANCIAL INSTRUMENTS, AS AMENDED ("**MIFID II**"); (B) ARTICLES 9 AND 10 OF COMMISSION DELEGATED DIRECTIVE (EU) 2017/593 SUPPLEMENTING MIFID II; AND (C) LOCAL IMPLEMENTING MEASURES (TOGETHER, THE "**MIFID II PRODUCT GOVERNANCE REQUIREMENTS**") AND FOR NO OTHER PURPOSES, SHORE CAPITAL AND CORPORATE LIMITED AND SHORE CAPITAL STOCKBROKERS LIMITED ("**SHORE CAPITAL**") HAVE CARRIED OUT AN ASSESSMENT OF THE ORDINARY SHARES AND HAS DETERMINED THEM TO BE: (I) COMPATIBLE WITH AN END TARGET MARKET OF RETAIL INVESTORS AND INVESTORS WHO MEET THE CRITERIA OF PROFESSIONAL CLIENTS AND ELIGIBLE COUNTERPARTIES, EACH AS DEFINED UNDER THE FCA'S CONDUCT OF BUSINESS SOURCEBOOK; AND (II) ELIGIBLE FOR DISTRIBUTION THROUGH ALL DISTRIBUTION CHANNELS AS ARE PERMITTED BY MIFID II (THE "**TARGET MARKET ASSESSMENT**").

ALL DISTRIBUTORS SHOULD NOTE THAT: THE PRICE OF ORDINARY SHARES MAY DECLINE AND INVESTORS COULD LOSE ALL OR PART OF THEIR INVESTMENT; THE ORDINARY SHARES OFFER NO CERTAINTY OF INCOME AND NO CAPITAL PROTECTION; AND AN INVESTMENT IN THE ORDINARY SHARES IS COMPATIBLE ONLY WITH INVESTORS WHO: (I) DO NOT NEED A CERTAIN AND PROTECTED INCOME OR CAPITAL PROTECTION; AND (II) (EITHER ALONE OR IN CONJUNCTION WITH AN APPROPRIATE FINANCIAL OR OTHER ADVISER) ARE CAPABLE OF EVALUATING THE MERITS AND RISKS OF SUCH AN INVESTMENT AND HAVE SUFFICIENT RESOURCES TO BE ABLE TO BEAR ANY LOSSES THAT MAY RESULT THEREFROM. THE TARGET MARKET ASSESSMENT IS ADDITIONAL TO THE RESTRICTIONS CONTAINED WITHIN THE TERMS OF THE PLACINGS. IN ALL CIRCUMSTANCES, SHORE CAPITAL WILL ONLY PROCURE INVESTORS WHO MEET THE CRITERIA OF PROFESSIONAL CLIENTS AND ELIGIBLE COUNTERPARTIES.

FOR THE AVOIDANCE OF DOUBT, THE TARGET MARKET ASSESSMENT DOES NOT CONSTITUTE: (A) AN ASSESSMENT OF SUITABILITY OR APPROPRIATENESS FOR THE PURPOSES OF MIFID II OR OTHERWISE; OR (B) A RECOMMENDATION TO ANY INVESTOR OR GROUP OF INVESTORS TO INVEST IN OR PURCHASE, OR TO TAKE ANY OTHER ACTION WHATSOEVER WITH RESPECT TO, THE ORDINARY SHARES.

EACH DISTRIBUTOR IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE ORDINARY SHARES AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

THIS ANNOUNCEMENT IS NOT AN OFFER OF SECURITIES FOR SALE INTO THE UNITED STATES. THE PLACING SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. SUBJECT TO CERTAIN EXCEPTIONS AND AT THE SOLE DISCRETION OF THE COMPANY, THE PLACING SHARES ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN "**OFFSHORE TRANSACTIONS**" WITHIN THE MEANING OF, AND IN ACCORDANCE WITH, REGULATION S UNDER THE SECURITIES ACT AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS. NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE IN THE UNITED STATES, THE UNITED KINGDOM OR ELSEWHERE. NO MONEY, SECURITIES OR OTHER CONSIDERATION FROM ANY PERSON INSIDE THE UNITED STATES IS BEING SOLICITED AND, IF SENT IN RESPONSE TO THE INFORMATION CONTAINED IN THIS ANNOUNCEMENT, WILL NOT BE ACCEPTED.

EACH PLACEE SHOULD CONSULT WITH ITS ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN PLACING SHARES. THE DISTRIBUTION OF THIS ANNOUNCEMENT, ANY PART OF IT OR ANY INFORMATION CONTAINED IN IT MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS, AND ANY PERSON INTO WHOSE POSSESSION THIS ANNOUNCEMENT, ANY PART OF IT OR ANY INFORMATION CONTAINED IN IT COMES SHOULD INFORM THEMSELVES ABOUT, AND OBSERVE, SUCH RESTRICTIONS.

No action has been taken by the Company, Shore Capital or any of their respective affiliates, agents, directors, officers or employees that would permit an offer of the Placing Shares or possession or distribution of this announcement or any other offering or publicity material relating to the Placing Shares in any jurisdiction where action for that purpose is required.

This announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada, Australia, the Republic of South Africa, Japan, the Republic of Ireland or New Zealand or any other jurisdiction in which the same would be unlawful. No public offering of the Placing Shares is being made in any such jurisdiction.

All offers of the Placing Shares will be made pursuant to an exemption under the Prospectus Directive from the requirement to produce a prospectus. In the United Kingdom, this announcement is being directed solely at persons in circumstances in which section 21(1) of FSMA does not apply.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placings or the accuracy or adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States. The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan, the Republic of Ireland, the Republic of South Africa or New Zealand, or in any other jurisdiction. Accordingly, the Placing Shares may not (unless an exemption under relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the United States, Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligation to forward a copy of this announcement should seek appropriate advice before taking any action.

This announcement should be read in its entirety. In particular, you should read and understand the information provided in this "Important Information" section of this announcement.

Each person who is invited to and who chooses to participate in the Placings (a "Placee") will be deemed to have read and understood this announcement in its entirety, to be participating, making an offer and subscribing for Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in this Appendix.

In particular, each such Placee represents, warrants, undertakes, agrees and acknowledges (amongst other things) that:

1. it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
2. in the case of a Relevant Person in a member state of the EEA which has implemented the Prospectus Directive (each, a "**Relevant Member State**") who acquires any Placing Shares pursuant to the Placings:
  - 2.1. it is a Qualified Investor within the meaning of Article 2(1)(e) of the Prospectus Directive;
  - 2.2. in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive:
    - 2.2.1. the Placing Shares acquired by it in the Placings have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors or in circumstances in which the prior consent of Shore Capital has been given to the offer or resale; or
    - 2.2.2. where Placing Shares have been acquired by it on behalf of persons in any member state of the EEA other than Qualified Investors, the offer of those Placing Shares to it is not treated under the Prospectus Directive as having been made to such persons;

3. it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make, and does make, the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this announcement;
4. it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Appendix; and
5. except as otherwise permitted by the Company and subject to any available exemptions from applicable securities laws, it (and any account referred to in paragraph 3 above) is outside the United States acquiring the Placing Shares in offshore transactions as defined in, and in accordance with, Regulation S under the Securities Act.

### **No prospectus**

No prospectus or other offering document has been or will be submitted to be approved by the FCA or any other regulatory body in any Relevant Member State in relation to the Placings or the Placing Shares.

Each Placee, by participating in the Placings, agrees that the content of this announcement is exclusively the responsibility of the Company and confirms that it has not relied on any information, representation, warranty or statement made by or on behalf of Shore Capital, the Company or any other person and none of Shore Capital, the Company or any other person acting on such person's behalf nor any of their respective affiliates has or shall have any liability for any Placee's decision to participate in the Placings based on any other information, representation, warranty or statement. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placings. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

### **Details of the Placing Agreement and the Placing Shares**

Shore Capital has entered into the Placing Agreement with the Company under which, on the terms and subject to the conditions set out in the Placing Agreement, Shore Capital, as agent for and on behalf of the Company, has agreed to use its reasonable endeavours to procure Placees to subscribe for the Placing Shares at the Issue Price.

The Placings shall consist of a Firm Placing and a Conditional Placing, with such subscription commitments in each instance being conditional upon the conditions (summarised below) being satisfied by the Company or otherwise waived by Shore Capital.

All Placing Shares will, when issued, be subject to the Articles of Association and be credited as fully paid and will 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 in respect of such Existing Ordinary Shares after the date of issue of the Placing Shares.

### **Applications for admission to trading**

The Company has applied for the Firm Placing Shares and the Firm Subscription Shares to be admitted to trading on AIM and will apply for the Conditional Placing Shares and Conditional Subscription Shares to be admitted to trading on AIM.

It is expected that First Admission in respect of the Firm Placing Shares will take place at 8.00 a.m. on 20 August 2019 and that dealings in the Firm Placing Shares on AIM will commence at the same time. Subject to the passing of the Resolutions, it is expected that Admission (in respect of the Conditional Placing Shares) will take place at 8.00 a.m. on the next Business Day following the General Meeting and that dealings in the Conditional Placing Shares on AIM will commence at the same time.

### **Principal terms of the Placings**

1. Shore Capital is acting as nominated adviser and broker to the Company, and as agent for and on behalf of the Company. Shore Capital is authorised and regulated in the United Kingdom by the FCA and is acting exclusively for the Company and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to its customers or for providing advice in relation to the matters described in this announcement.
2. Participation in the Placings will only be available to persons who may lawfully be, and are, invited by Shore Capital to participate. Shore Capital and any of its affiliates are entitled to participate in the Placings as principals.
3. The price per Placing Share will be payable by all Placees to Shore Capital (as agent of the Company). The Issue Price, number of Placing Shares and type of Placing Shares (whether Firm Placing Shares or Conditional Placing Shares) will be agreed between the Company and Shore Capital at the close of the Bookbuild and confirmed to Placees by telephone and/or email along with their final allocation and will be disclosed in the announcement confirming the result of the Placings.
4. Each Placee's allocation is determined by Shore Capital in its discretion and has been or will be confirmed orally by Shore Capital and a Form of Confirmation will be dispatched as soon as possible thereafter. That oral confirmation will give rise to an irrevocable, legally binding commitment by that person (who at that point becomes a Placee), in favour of Shore Capital and the Company, under which it agrees to acquire the number of Placing Shares allocated to the Placee at the Issue Price and otherwise on the terms and subject to the conditions set out in this Appendix and in accordance with the Articles of Association. Except with Shore Capital's prior written consent, such commitment will not be capable of variation or revocation at the time at which it is submitted.
5. Each Placee's allocation and commitment will be evidenced by a Form of Confirmation issued to each such Placee by Shore Capital. The terms and conditions of this Appendix will be deemed incorporated into that Form of Confirmation.
6. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to Shore Capital (as agent for the Company), to pay to Shore Capital (or as Shore Capital may direct) in cleared funds an amount equal to the product of the Issue Price and the number of Placing Shares such Placee has agreed to acquire and the Company has agreed to allot and issue to that Placee.
7. Irrespective of the time at which a Placee's allocation(s) pursuant to the Placings is/are confirmed, settlement for all Firm Placing Shares to be issued pursuant the Firm Placing will be required to be made at the same time and settlement for all Conditional Placing Shares to be issued pursuant the Conditional Placing will be required to be made at the same time, on the basis explained below under "**Registration and Settlement**".
8. All obligations of Shore Capital under the Placings will be subject to fulfilment of the conditions referred to below under "**Conditions of the Placings**" and to the Placings not being terminated on the basis referred to below under "**Termination of the Placings**".
9. By participating in the Placings, each Placee will agree that its rights and obligations in respect of the Placings will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
10. To the fullest extent permissible by law and applicable FCA rules, none of (a) Shore Capital, (b) any of its affiliates, agents, directors, officers, consultants, (c) to the extent not contained within (a), any person connected with Shore Capital as defined in FSMA ((b) and (c) being together "**affiliates**" and individually an "**affiliate**" of Shore Capital) or (d) any person acting on Shore Capital's behalf, shall have any liability (including to the extent permissible by law, any fiduciary duties) to Placees or to any other person whether acting on behalf of a Placee or otherwise. In particular, none of Shore Capital or any of its affiliates shall have any liability (including, to the extent permissible by law, any fiduciary duties) in respect of their conduct of the Placings or of such alternative method of effecting the Placings as Shore Capital and the Company may agree.

### **Further details regarding EIS and VCT status**

The Company has not applied for advance assurance from HMRC that HMRC would be able to authorise the Company to issue compliance certificates under section 204(1) of the ITA 2007 in respect of the Placing Shares following receipt of a form EIS1 satisfactorily completed. If the Company carries on activities beyond those disclosed to HMRC, then Shareholders may cease to qualify for the tax benefits. The Company has not received any advance assurance from HMRC as regards whether the Placing Shares will be capable of being a “qualifying holding” for the purposes of investment by VCTs. 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. Consequently, there is no guarantee that any of the New Ordinary Shares will qualify for EIS relief or be a “qualifying holding” for the purposes of investment by VCTs.

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.

### **Registration and Settlement**

Settlement of transactions in the Placing Shares will take place inside the CREST system.

Settlement of transactions in the Placing Shares will, unless otherwise agreed, take place on a delivery versus payment basis within CREST.

The Company will procure the delivery of the Placing Shares to CREST accounts operated by Shore Capital for the Company and Shore Capital will enter their delivery (DEL) instructions into the CREST system. The input to CREST by each Placee of a matching or acceptance instruction will then allow delivery of the relevant Placing Shares to that Placee against payment at the relevant time.

Interest may be charged in respect of payments not received for value at that time.

The Company reserves the right to require settlement for and delivery of the Placing Shares (or a portion thereof) to any Placee in any form it requires if, in Shore Capital's opinion, delivery or settlement is not possible or practicable within CREST or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Each Placee is deemed to agree that, if it does not comply with these obligations, the Company may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for the Company's account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf.

Following the close of the Bookbuild for the Placings, each Placee allocated Placing Shares in the Placing will be sent a conditional trade confirmation(s) stating the number of Placing Shares (and confirmation as to whether the Placing Shares are Firm Placing Shares or Conditional Placing Shares) to be allocated to it at the Issue Price and the subscription amount payable to be allocated to it and will be required to provide Shore Capital with funds sufficient to purchase such securities prior to the Settlement Date (see below).

It is expected that settlement with regard to the Firm Placing Shares will take place on 20 August 2019 in CREST in accordance with the instructions set out in the conditional trade confirmation. Settlement will be through Shore Capital against CREST ID: 601 (as applicable).

It is expected that settlement with regard to the Conditional Placing Shares will take place on the next Business Day following the General Meeting in CREST in accordance with the instructions set out in the conditional trade confirmation. Settlement will be through Shore Capital against CREST ID: 601 (as applicable).

Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with the applicable registration and settlement procedures, including if

applicable, CREST rules and regulations and settlement instructions that it has in place with Shore Capital.

If the Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the conditional trade confirmation is copied and delivered immediately to the relevant person within that organisation.

ISIN code for the Placing Shares: GB00BKJ9BV58

SEDOL code for the Placing Shares: BKJ9BV5

No UK stamp duty or stamp duty reserve tax should be payable to the extent that the Placing Shares are issued into CREST to, or to the nominee of, a Placee who holds those shares beneficially (and not as agent or nominee for any other person) within the CREST system and registered in the name of such Placee or such Placee's nominee provided that the Placing Shares are not issued to a person whose business is or includes issuing depositary receipts or the provision of clearance services or to an agent or nominee for any such person.

The agreement to settle a Placee's subscription (and/or the subscription of a person for whom such Placee is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to a subscription by it and/or such person direct from the Company for the Placing Shares in question. Such agreement assumes that the Placing Shares are not being subscribed for in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other subsequent dealing in the Placing Shares, UK stamp duty or stamp duty reserve tax may be payable, for which neither the Company nor Shore Capital will be responsible, and the Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placings as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such UK stamp duty or stamp duty reserve tax undertakes to pay such UK stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company and Shore Capital in the event that the Company or Shore Capital has incurred any such liability to UK stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and notify Shore Capital accordingly.

In addition, Placees should note that they will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the UK by them or any other person on the subscription by them of any Placing Shares or the agreement by them to subscribe for any Placing Shares.

### **Conditions of the Firm Placings**

The Firm Placing is conditional upon the Placing Agreement becoming unconditional as regards the Firm Placing and not having been terminated in accordance with its terms.

The obligations of Shore Capital under the Firm Placing are, conditional upon, *inter alia*:

- a) none of the warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before First Admission, which individually or collectively Shore Capital (acting reasonably) considers to be material and adverse in the context of the Placings;
- b) the performance by the Company of its obligations under the Placing Agreement to the extent they fall to be performed prior to First Admission;
- c) the Company issuing and allotting the Firm Placing Shares prior to and, conditional only on First Admission, in accordance with the Placing Agreement; and
- d) First Admission taking place by not later than 8.00 a.m. on 20 August 2019 (or such later date as the Company and Shore Capital may agree in writing, in any event being not later than the first long stop date being 30 August 2019),

(all conditions in connection with the Firm Placing being together, the "Firm Placing Conditions").

### **Conditions of the Conditional Placings**

The obligations of Shore Capital under the Conditional Placing are, conditional upon, *inter alia*:

- a) none of the warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before Second Admission, which individually or collectively Shore Capital (acting reasonably) considers to be material and adverse in the context of the Placings;
- b) the performance by the Company of its obligations under the Placing Agreement to the extent they fall to be performed prior to Second Admission (including the Firm Placing Conditions);
- c) the Rule 9 Waiver being granted by the Panel;
- d) the passing without amendment (or with such amendments as Shore Capital may agree) of the Resolutions at the General Meeting (or such later date as Shore Capital may agree);
- e) the Company issuing and allotting the Conditional Placing Shares as soon as reasonably practicable after the passing of the Resolutions, conditional only on Second Admission, in accordance with the Placing Agreement;
- f) Second Admission taking place on the next Business Day following the General Meeting (or such later date as the Company and Shore Capital may agree in writing, in any event being not later than the second long-stop date, being 31 October 2019), (all conditions in connection with the Conditional Placing, the "Conditional Placing Conditions").

### **Termination of the Placings**

Shore Capital may terminate the Placing Agreement in certain circumstances, details of which are set out below.

If any of the Firm Placing Conditions are not fulfilled or, where permitted, waived in accordance with the Placing Agreement within the stated time periods (or such later time and/or date as the Company and Shore Capital may agree) the Placing Agreement and the rights and obligations in it shall terminate at such time and each Placee yet to be allocated Firm Placing Shares agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

If any of the Conditional Placing Conditions are not fulfilled or, where permitted, waived in accordance with the Placing Agreement within the stated time periods (or such later time and/or date as the Company and Shore Capital may agree) the Placing Agreement and the rights and obligations in it shall terminate at such time and each Placee yet to be allocated Conditional Placing Shares agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

By participating in the Placings, each Placee agrees that its rights and obligations cease and terminate only in the circumstances described herein and will not be capable of rescission or termination by it.

Certain conditions may be waived in whole or in part by Shore Capital, in its absolute discretion and Shore Capital may also agree in writing with the Company to extend the time for satisfaction of any condition. Any such extension or waiver will not affect Placees' commitments as set out in this announcement.

Neither Shore Capital, the Company nor any of their respective affiliates, agents, directors, officers or employees shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision any of them may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition nor for any decision any of them may make as to the satisfaction of any condition or in respect of the Placings generally,

and by participating in the Placings, each Placee agrees that any such decision is within the absolute discretion of Shore Capital.

Shore Capital may terminate the Placing Agreement (in respect of its obligations yet to be performed), in accordance with its terms, at any time prior to First Admission or Second Admission if, *inter alia*:

1. it comes to the attention of Shore Capital that any of the warranties in the Placing Agreement were not true or accurate, or were misleading in any material respect when made or if any of the warranties in the Placing Agreement become untrue, inaccurate or misleading in any material respect; or

2. it comes to the attention of Shore Capital that the Company has committed a material breach or material breaches of any of its obligations under the Placing Agreement,

in each case in a respect which Shore Capital acting reasonably considers to be material and adverse in the context of the Placings.

Shore Capital may also terminate the Placing Agreement (in respect of its obligations yet to be performed), in accordance with its terms, at any time prior to First Admission or Second Admission if there is:

1. any material adverse change in the context of the Placings, whether or not foreseeable at the date of the Placing Agreement, in, or any development involving a prospective material adverse change in or affecting, the condition, financial or otherwise, or the earnings or business affairs or business prospects of the Group, whether or not arising in the ordinary course of business; or

2. any of the following:

2.1 the suspension of trading in securities generally on the London Stock Exchange or trading is limited or minimum prices established on the London Stock Exchange; or

2.2 the declaration of a banking moratorium in London or any material disruption to commercial banking or securities settlement or clearance services in the UK; or

2.3 any change, or development involving a prospective change, in national or international financial, economic, political, industrial or market conditions or currency exchange rates or exchange controls, or any incident of terrorism or outbreak or escalation of hostilities or any declaration by the UK or the US of a national emergency or war or any other calamity or crisis,

which events described above Shore Capital in its reasonable opinion considers to be likely to have an adverse effect on the financial or trading position or the business or prospects of the Group which is material in the context of Group as a whole or which renders the Placings impracticable or inadvisable.

If the Placing Agreement is terminated in accordance with its terms, the rights and obligations of each Placee in respect of any Placing Shares not yet settled shall terminate at such time and no claim can be made by any Placee in respect thereof.

By participating in the Placings, each Placee agrees with the Company and Shore Capital that the exercise by the Company or Shore Capital of any right of termination or any other right or other discretion under the Placing Agreement shall be within the absolute discretion of the Company or Shore Capital and that neither the Company nor Shore Capital need make any reference to such Placee and that neither Shore Capital, the Company, nor any of their respective affiliates, agents, directors, officers or employees shall have any liability to such Placee (or to any other person whether acting on behalf of a Placee or otherwise) whatsoever in connection with any such exercise.

By participating in the Placings, each Placee agrees that its rights and obligations terminate only in the circumstances described above and will not be capable of rescission or termination by it after

the issue by Shore Capital of a Form of Confirmation confirming each Placee's allocation and commitment in the Placings.

### **Representations, warranties and further terms**

By participating in the Placings, each Placee (and any person acting on such Placee's behalf) represents, warrants, acknowledges and agrees (for itself and for any such prospective Placee) that (save where Shore Capital expressly agrees in writing to the contrary):

1. it has read and understood this announcement in its entirety and that its subscription for the Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with First Admission and Second Admission, the Placings, the Company, the Placing Shares or otherwise;
2. it has not received a prospectus or other offering document in connection with the Placings and acknowledges that no prospectus or other offering document: (a) is required under the Prospectus Directive; and (b) has been or will be prepared in connection with the Placings;
3. the Existing Ordinary Shares are (and the New Ordinary Shares will be) admitted to trading on AIM, and that the Company is therefore required to publish certain business and financial information in accordance with the AIM Rules for Companies, which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that it is able to obtain or access such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other publicly traded company, without undue difficulty;
4. it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial and trading position of the Company in accepting a participation in the Placings and neither Shore Capital, the Company nor any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person; nor has it requested any of Shore Capital, the Company, any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them to provide it with any such information;
5. the content of this announcement is exclusively the responsibility of the Company and the directors and neither Shore Capital nor any person acting on behalf of Shore Capital or any of its affiliates, agents, directors, officers or employees has or shall have any liability for any information, representation or statement contained in this announcement, the investor presentation or any information previously published by or on behalf of the Company or any member of the Group;
6. neither Shore Capital, the Company nor any of their respective affiliates, agents, directors, officers or employees has made any representation or warranty to it, express or implied, with respect to the Company, the Placings or the Placing Shares or the accuracy, completeness or adequacy of the information contained in this announcement or the investor presentation;
7. it has conducted its own investigation of the Company, the Placings and the Placing Shares, satisfied itself that the information is still current and relied on that investigation for the purposes of its decision to participate in the Placings;
8. it has not relied on any investigation that Shore Capital, the Company or any person acting on their behalf may have conducted with respect to the Company, the Placings or the Placing Shares;
9. the content of this announcement has been prepared by and is exclusively the responsibility of the Company and the directors and that neither Shore Capital, nor any person acting on its behalf is responsible for or has or shall have any liability for any information, representation, warranty or statement relating to the Company contained in this announcement or the investor presentation

nor will they be liable for any Placee's decision to participate in the Placings based on any information, representation, warranty or statement contained in this announcement or the investor presentation. Nothing in this this Appendix shall exclude any liability of any person for fraudulent misrepresentation;

10. the Placing Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Placing Shares under the securities laws of the United States, or any state or other jurisdiction of the United States, Canada, Australia, the Republic of South Africa, Japan, the Republic of Ireland or New Zealand and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, Canada, Australia, the Republic of South Africa, Japan, the Republic of Ireland, New Zealand or in any country or jurisdiction where any such action for that purpose is required;

11. it and/or each person on whose behalf it is participating:

11.1. is entitled to acquire Placing Shares pursuant to the Placings under the laws and regulations of all relevant jurisdictions;

11.2. has fully observed such laws and regulations;

11.3. has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of Placing Shares and will honour such obligations; and

11.4. has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a Placee, all necessary consents and authorities to agree to the terms set out or referred to in this Appendix) under those laws or otherwise and complied with all necessary formalities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto and, in particular, if it is a pension fund or investment company it is aware of and acknowledges it is required to comply with all applicable laws and regulations with respect to its subscription for Placing Shares;

12. it is not, and any person who it is acting on behalf of is not, and at the time the Placing Shares are subscribed for will not be, a resident of, or with an address in, or subject to the laws of, Canada, Australia, the Republic of South Africa, Japan, the Republic of Ireland or New Zealand and it acknowledges and agrees that the Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of Canada, Australia, the Republic of South Africa, Japan, the Republic of Ireland or New Zealand and may not be offered, sold, or acquired, directly or indirectly, within those jurisdictions;

13. the Placing Shares have not been, and will not be, registered under the Securities Act and may not be offered, sold or resold in or into or from the United States except pursuant to an effective registration under the Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with applicable state securities laws; and no representation is being made as to the availability of any exemption under the Securities Act for the re-offer, resale, pledge or transfer of the Placing Shares;

14. the Company is not registered under the Investment Company Act and that the Company has put in place restrictions to ensure that it is not and will not be required to register under the Investment Company Act;

15. it and the beneficial owner of the Placing Shares is, and at the time the Placing Shares are acquired will be, outside the United States and acquiring the Placing Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S under the Securities Act;

16. it is not acquiring the Placing Shares as a result of any "directed selling efforts" as defined in Regulation S under the Securities Act;

17. if the Placing Shares are being acquired for the account of one or more other persons, it has full power and authority to make the representations, warranties, agreements and acknowledgements herein on behalf of each such account;
18. it (and any account for which it is purchasing) is acquiring the Placing Shares for investment purposes only and is not acquiring the Placing Shares with a view to any offer, sale or distribution thereof in violation of the Securities Act or any other securities laws of any state or other jurisdiction of the United States;
19. the Company is not obliged to file any registration statement in respect of any resales of the Placing Shares in the United States with the US Securities and Exchange Commission or with any securities administrator of any state or other jurisdiction of the United States;
20. if in the future it decides to offer, sell, transfer, assign or otherwise dispose of the Placing Shares, it will do so only in compliance with an exemption from the registration requirements of the Securities Act and under circumstances which will not require the Company to register under the Investment Company Act;
21. it will not distribute, forward, transfer or otherwise transmit this announcement or any part of it, or any other presentational or other materials concerning the Placings, in or into or from the United States (including electronic copies thereof) to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;
22. neither Shore Capital, any of its affiliates, agents, directors, officers or employees nor any person acting on behalf of any of them is making any recommendations to it or advising it regarding the suitability of any transactions it may enter into in connection with the Placings and that participation in the Placings is on the basis that it is not and will not be a client of Shore Capital and Shore Capital has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placings nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
23. it has the funds available to pay for the Placing Shares for which it has agreed to subscribe and acknowledges and agrees that it will make payment to Shore Capital for the Placing Shares allocated to it in accordance with the terms and conditions of this announcement on the due times and dates set out in this announcement, failing which the relevant Placing Shares may be placed with others on such terms as Shore Capital may, in its absolute discretion determine without liability to the Placee and it will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to the terms set out or referred to in this announcement) which may arise upon the sale of such Placee's Placing Shares on its behalf;
24. no action has been or will be taken by any of the Company, Shore Capital or any person acting on their behalf that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;
25. the person who it specifies for registration as holder of the Placing Shares will be: (a) the Placee; or (b) a nominee of the Placee, as the case may be. Neither Shore Capital nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to acquire Placing Shares pursuant to the Placings and agrees to pay the Company and Shore Capital in respect of the same (including any interest or penalties) on the basis that the Placing Shares will be allotted to a CREST stock account of Shore Capital or transferred to a CREST stock account of Shore Capital who will hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions with it;
26. it is acting as principal only in respect of the Placings or, if it is acting for any other person: (a) it is duly authorised to do so and has full power to make the acknowledgments, representations

and agreements herein on behalf of each such person; and (b) it is and will remain liable to the Company and Shore Capital for the performance of all its obligations as a Placee in respect of the Placings (regardless of the fact that it is acting for another person);

27. the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placings as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability;

28. it and any person acting on its behalf (if within the United Kingdom) is a person of a kind described in: (a) Article 19(5) (Investment Professionals) and/or Article 49(2) (High net worth companies etc.) of the Order and/or is an authorised person as defined in section 31 of FSMA; and (b) section 86(7) of FSMA ("**Qualified Investor**"), being a person falling within Article 2.1(e) of the Prospectus Directive. For such purposes, it undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;

29. it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to Placing Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and it acknowledges:

29.1. it has complied and it will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the Placing Shares (including all relevant provisions of FSMA in respect of anything done in, from or otherwise involving the United Kingdom);

29.2. if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive (including any relevant implementing measure in any member state), the Placing Shares acquired by it in the Placings will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA which has implemented the Prospectus Directive, other than Qualified Investors or in circumstances in which the express prior written consent of Shore Capital has been given to the offer or resale;

29.3. it has neither received nor relied on any confidential price sensitive information about the Company in accepting this invitation to participate in the Placings;

29.4. neither Shore Capital nor any of its affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has or shall have any liability for any information, representation or statement contained in this announcement, the investor presentation or for any information previously published by or on behalf of the Company or any other written or oral information made available to or publicly available or filed or any representation, warranty or undertaking relating to the Company, and will not be liable for its decision to participate in the Placings based on any information, representation, warranty or statement contained in this announcement or elsewhere, provided that nothing in this paragraph shall exclude any liability of any person for fraud;

29.5. neither Shore Capital, the Company nor any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of Shore Capital, the Company or their respective affiliates, agents, directors, officers or employees is making any recommendations to it or advising it regarding the suitability of any transactions it may enter into in connection with the Placings nor providing advice in relation to the Placings nor in respect of any representations, warranties, acknowledgements, agreements, undertakings or indemnities contained in the Placing Agreement nor the exercise or performance of Shore Capital's rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

29.6. acknowledges and accepts that Shore Capital may, in accordance with applicable legal and regulatory provisions, engage in transactions in relation to the Placing Shares and/or related

instruments for its own account for the purpose of hedging its underwriting exposure or otherwise and, except as required by applicable law or regulation, Shore Capital will not make any public disclosure in relation to such transactions;

29.7. Shore Capital and its affiliates, each acting as an investor for its or their own account(s), may bid or subscribe for and/or purchase Placing Shares and, in that capacity, may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placings or otherwise. Accordingly, references in this announcement to the Placing Shares being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by Shore Capital and/or any of its affiliates, acting as an investor for its or their own account(s). Neither Shore Capital nor the Company intends to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;

29.8. it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (together, the "**Regulations**") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;

29.9. it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993, FSMA, the EU Market Abuse Regulation No. 596 of 2014 and the Proceeds of Crime Act 2002 and confirms that it has and will continue to comply with those obligations;

29.10. in order to ensure compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, Shore Capital (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to Shore Capital or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at Shore Capital's absolute discretion (as the case may be) or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at the absolute discretion of Shore Capital or the Company's registrars, as the case may be. If within a reasonable time after a request for verification of identity Shore Capital (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, Shore Capital and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placings, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;

29.11. acknowledges that its commitment to acquire Placing Shares on the terms set out in this announcement and in the Form of Confirmation will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placings and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or Shore Capital's conduct of the Placings;

29.12. it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placings. It has relied upon its own examination and due diligence of the Company and its affiliates taken as a whole, and the terms of the Placings, including the merits and risks involved;

29.13. it irrevocably appoints any duly authorised officer of Shore Capital as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares for which it agrees to subscribe upon the terms of this announcement;

29.14. the Company, Shore Capital and others (including each of their respective affiliates, agents, directors, officers or employees) will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements, which are given to Shore Capital on its own behalf and on behalf of the Company and are irrevocable;

29.15. if it is acquiring the Placing Shares as a fiduciary or agent for one or more investor accounts, it has full power and authority to make, and does make, the foregoing representations, warranties, acknowledgements, agreements and undertakings on behalf of each such account;

29.16. time is of the essence as regards its obligations under this Appendix;

29.17. any document that is to be sent to it in connection with the Placings will be sent at its risk and may be sent to it at any address provided by it to Shore Capital;

29.18. the Placing Shares will be issued subject to these terms and conditions of this Appendix; and

29.19. these terms and conditions and all documents into which they are incorporated by reference or of which they otherwise validly form a part and/or any agreements entered into pursuant to these terms and conditions and/or all agreements to acquire shares pursuant to the Placings will be governed by and construed in accordance with English law and it submits to the exclusive jurisdiction of the English courts in relation to any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company or Shore Capital in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;

30. by participating in the Placings, each Placee (and any person acting on such Placee's behalf) agrees to indemnify and hold the Company, Shore Capital and each of their respective affiliates, agents, directors, officers and employees harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings given by the Placee (and any person acting on such Placee's behalf) in this Appendix or incurred by Shore Capital, the Company or each of their respective affiliates, agents, directors, officers or employees arising from the performance of the Placee's obligations as set out in this announcement, and further agrees that the provisions of this Appendix shall remain in full force and effect after completion of the Placings. The agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as agent) free of stamp duty and stamp duty reserve tax in the United Kingdom relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct by the Company. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement related to any other dealings in the Placing Shares, stamp duty or stamp duty reserve tax may be payable. In that event, the Placee agrees that it shall be responsible for such stamp duty or stamp duty reserve tax and neither the Company or Shore Capital shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and should notify Shore Capital accordingly. In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares and each Placee, or the Placee's nominee, in respect of whom (or in respect of the person for whom it is participating in the Placings as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such non-United Kingdom stamp, registration, documentary, transfer or similar taxes or duties undertakes to pay such taxes and duties, including any interest and penalties (if applicable), forthwith and to indemnify on an after-tax basis and to hold harmless the Company and Shore Capital in the event that the Company and/or Shore Capital has incurred any such liability to such taxes or duties; and

31. the representations, warranties, acknowledgements and undertakings contained in this this Appendix are given to Shore Capital for itself and on behalf of the Company and are irrevocable.

Each Placee and any person acting on behalf of the Placee acknowledges that Shore Capital does not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings, acknowledgements, agreements or indemnities in the Placing Agreement.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that Shore Capital may (at its absolute discretion) satisfy its obligation to procure Placees by itself agreeing to become a Placee in respect of some or all of the Placing Shares or by nominating any connected or associated person to do so.

When a Placee or any person acting on behalf of the Placee is dealing with Shore Capital, any money held in an account with Shore Capital on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA made under FSMA. Each Placee acknowledges that the money will not be subject to the protections conferred by the client money rules: as a consequence this money will not be segregated from Shore Capital's money (as applicable) in accordance with the client money rules and will be held by it under a banking relationship and not as trustee.

References to time in this announcement are to London time, unless otherwise stated.

All times and dates in this announcement may be subject to amendment.

No statement in this announcement is intended to be a profit forecast, and no statement in this announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The price of shares and any income expected from them may go down as well as up and investors may not receive the full amount invested upon disposal of the Placing Shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The Placing Shares to be issued or sold pursuant to the Placings will not be admitted to trading on any stock exchange other than AIM.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

Pursuant to the General Data Protection Regulation as implemented in the UK by the Data Protection Act 2018 ("GDPR") the Company and/or Shore Capital may hold personal data (as defined in the GDPR) relating to past and present shareholders. Personal data may be retained on record for a period exceeding six years after it is no longer used. The Company and/or Shore Capital will only process such information for the purposes set out below (collectively, the "Purposes"), being to: (a) process a Placee's personal data to the extent and in such manner as is necessary for the performance of their obligations under the contractual arrangements between them, including as required by or in connection with a Placee's holding of Ordinary Shares, including processing personal data in connection with credit and money laundering checks on a Placee; (b) communicate with a Placee as necessary in connection with a Placee's affairs and generally in connection with its holding of Ordinary Shares; (c) provide personal data to such third parties as the Company and/or Shore Capital may consider necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares or as the GDPR may require, including to third parties outside the EEA; and (d) without limitation, provide such personal data to their respective affiliates for processing, notwithstanding that any such party may be outside the EEA; and (e) process a Placee's personal data for the Company's and/or Shore Capital's internal administration.

By becoming registered as a holder of Placing Shares, each Placee acknowledges and agrees that the processing by the Company and/or Shore Capital of any personal data relating to it in the manner described above is undertaken: (a) for the purposes of performance of the contractual

arrangements between them; and (b) to comply with applicable legal obligations. In providing the Company and/or Shore Capital with information, each Placee hereby represents and warrants to each of them that it has notified any data subject of the processing of their personal data (including the details set out above) by the Company and/or Shore Capital and their respective affiliates and group companies, in relation to the holding of, and using, their personal data for the Purposes. Any individual whose personal information is held or processed by a data controller has the right: (a) to ask for a copy of their personal information held; (b) to ask for any inaccuracies to be corrected or for their personal information to be erased; (c) object to the ways in which their information is used, and ask for their information to stop being used or otherwise restricted; and (d) to ask for their personal information to be sent to them or to a third party (as permitted by law). A data subject seeking to enforce these rights should contact the relevant data controller. Individuals also have the right to complain to the UK Information Commissioner's Office about how their personal information has been handled.