

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF EU REGULATION 596/2014.**

**THIS ANNOUNCEMENT (INCLUDING THE APPENDIX) AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, NEW ZEALAND, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.**

**For immediate release**

**12 October 2018**

**Patisserie Holdings plc**

**Further trading update and proposed firm and conditional placing to raise capital**

Patisserie Holdings plc (AIM: CAKE) ("**PH**", the "**Company**" and together with its subsidiary undertakings, the "**Group**") announces that the Company, in conjunction with its professional advisers, has now further progressed its initial investigation into the shortfall between the Group's previously reported financial status and the actual financial status of the Group.

The board of directors of the Company (the "**Board**" or the "**Directors**") believes that the current financial position of the Company is such that it requires an immediate cash injection of no less than £20 million without which there is no scope for the Group to continue trading in its current form and would therefore need to appoint administrators.

Following the initial investigation, the Directors can confirm that the Group has net debt of approximately £9.8 million. Historical statements on the cash position of the Company were mis-stated and subject to fraudulent activity and accounting irregularities as set out in the announcement of the Company on 10 October 2018. This activity and the irregularities are, in the Directors view, also likely to have affected the historical financial statements of the Company. The Directors estimate that based on current run rate information available, annual revenue and EBITDA, before

exceptional one off costs, for the year ending 30 September 2019 could be approximately £120 million and £12 million, respectively. **However, the Directors emphasise that these statements and amounts are based on the limited work performed to date, and cannot be verified until there has been a further work conducted including the re-audit of the Company's financial statements and the preparation of the 30 September 2018 year end audit.**

**Moreover, shareholders should be aware that the investigations into the Company's financial irregularities remain at a very preliminary stage, and will be subject to further, comprehensive review in the weeks and months to come. At this stage, the Directors cannot predict the outcome of those investigations with any degree of certainty. Any further findings of financial irregularity within the Group could result in yet further material losses for the Company, its shareholders and wider stakeholders.**

**The Company's shares remain suspended from trading on AIM. At present, the Directors do not expect that suspension to be lifted at least until (a) there is greater clarity disclosed to the market around the financial position of the Group and (b) they are satisfied that the Company's financial reporting function is appropriate for a quoted company.**

Accordingly, the Company proposes to raise approximately £15 million through the issue of approximately 30,000,000 new ordinary shares of one penny each ("**Ordinary Shares**") in the capital of the Company (the "**Placing Shares**") at a price of 50 pence per share (the "**Placing Price**") by way of an accelerated book build (the "**Placing**"). The Placing comprises a proposed firm placing of 10,000,000 Placing Shares (the "**Firm Placing Shares**") utilising the Company's existing shareholder authorities to issue new shares on a non-pre-emptive basis for cash (the "**Firm Placing**") and a conditional placing of approximately 20,000,000 Placing Shares (the "**Conditional Placing Shares**") subject to shareholder approval in general meeting (the "**General Meeting**") to be convened as soon as practicably possible following this Announcement (the "**Conditional Placing**").

In conjunction with the Placing and in order to provide immediate liquidity to the Group, the Company expects to enter into a new £10 million loan agreement with Luke Johnson later today, the Company's executive chairman (the "**Loan**"). The Loan is for a three-year term and made on an interest-free/fee-free basis and will be secured in due course.

Due to the nature of the settlement period of the Placing, Luke Johnson will commit a further bridging loan facility of up to £10 million (the "**Bridging Loan**"), to provide the Company with the ability to fund immediate outstanding liabilities. The Company will repay the amount of the Bridging Loan drawn down in full immediately upon receipt of the Placing proceeds following Firm Admission and Conditional Admission (as defined below).

The net proceeds of the Placing and funds advanced pursuant to the Loan and the Bridging Loan will primarily be used to fund the Group's immediate outstanding liabilities, including amounts owed

to HM Revenue & Customs, trade creditors, general working capital purposes and committed capital expenditure. The Company expects the Group's principal lenders to enter into standstill agreements with the Group and to agree not to take action to enforce the recovery of their outstanding indebtedness for a period of 12 months. The standstill period will, however, terminate in the event that the Placing does not complete, or certain insolvency procedures are commenced against the Group

Based on the current information available to them, the Directors believe that upon completion of this equity and debt fundraising, the Group will be able to continue trading in its current form for the foreseeable future. Shareholders should be aware that without the Loan, the Bridging Loan and the proceeds of the Placing the Group would need to immediately secure alternative financing. There can be no guarantee that alternative financing will be available to the Company in the required amounts or on acceptable terms for the ongoing working capital requirements of the Group and therefore the Group would likely enter into immediate administration.

Under the AIM Rules for Companies (the "**AIM Rules**"), a loan from a related party which exceeds a specified percentage in any of the class tests under the AIM Rules is subject to certain disclosure requirements. As a Director and due to the size of his holding Ordinary Shares the entering into of the Loan and the Bridging Loan by Luke Johnson will be deemed to be a transaction with a related party under Rule 13 of the AIM Rules.

The independent Directors (for these purposes being Paul May, Lee Ginsberg and James Horler) consider, having consulted with Canaccord Genuity, acting in its capacity as the Company's Nominated Adviser, that the terms of the Loan and the Bridging Loan is fair and reasonable insofar as the Company's shareholders are concerned.

## **The Placing**

The Placing is being conducted through an accelerated bookbuilding process to institutional investors (the "**Bookbuild**") which will be launched immediately following this announcement.

Canaccord Genuity Limited ("**Canaccord Genuity**") is acting as sole bookrunner in connection with the Placing.

The Placing is subject to the terms and conditions set out in the appendix (the "**Appendix**") to this announcement (which forms part of this announcement, such announcement and the Appendix together being this "**Announcement**").

The Placing Shares when issued, are expected to represent approximately 30 per cent. of the Company's existing issued share capital.

The Placing Shares, when issued, will be 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 after the date of issue.

### *The Firm Placing*

Application will be made for the Firm Placing Shares to be admitted to trading on AIM. It is expected that Admission of the Firm Placing ("**Firm Admission**") will take place on 8.00 am on 18 October 2018. The Firm Placing (raising gross proceeds of £5 million at the Placing Price) is conditional upon Firm Admission becoming effective by no later than 8.00 a.m. on 18 October 2018 (or such later time and/or date as the Company and Canaccord Genuity may agree, but in any event not later than 8.00 a.m. on 31 October 2018).

The Firm Placing Shares will together represent approximately 7.5 per cent. of the enlarged share capital of the Company immediately following Firm Admission.

### *The Conditional Placing*

In order to undertake the Conditional Placing, the Company needs to seek approval from the Company's shareholders at the General Meeting, notice of which will be set out in a circular to shareholders that will be posted as soon as practicably possible following this Announcement (the "**Circular**").

Application will be made for approximately 20,000,000 Conditional Placing Shares to be admitted to trading on AIM ("**Conditional Admission**") and it is expected that Conditional Admission will take place at 8.00 a.m on the business day following the General Meeting.

The Conditional Placing Shares will represent approximately 16 per cent. of the Enlarged Share Capital. Following Conditional Admission of the Conditional Placing Shares, the Company will have approximately 135,000,000 Ordinary Shares in issue.

Your attention is drawn to the Appendix to this Announcement (which forms part of this Announcement), which sets out further information relating to the Bookbuild and the terms and conditions of the Placing.

By choosing to participate in the Placing and by making an oral and legally binding offer to acquire Placing Shares, investors will be deemed to have read and understood this Announcement in its entirety (including the Appendix) and to be making such offer on the terms and subject to the conditions in it, and to be providing the representations, warranties and acknowledgements contained in the Appendix.

### **Enquiries:**

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### **IMPORTANT NOTICES**

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT (INCLUDING THE APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS "**ANNOUNCEMENT**") ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (1) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA ("**EEA**"), QUALIFIED INVESTORS AS DEFINED IN 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**"); (2) IF IN THE UNITED KINGDOM, QUALIFIED INVESTORS AND (A) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**") (INVESTMENT PROFESSIONALS) OR (B) ARE PERSONS WHO FALL WITHIN ARTICLE 49(2)(a) TO (d) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER (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 ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN TYMAN PLC.

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. THE PLACING SHARES ARE BEING OFFERED AND SOLD ONLY (1) OUTSIDE OF THE UNITED STATES IN "**OFFSHORE TRANSACTIONS**" WITHIN THE MEANING OF, AND IN ACCORDANCE WITH, REGULATIONS UNDER THE SECURITIES ACT, AND (2) IN THE UNITED STATES TO A LIMITED NUMBER OF PERSONS REASONABLY BELIEVED TO BE QUALIFIED INSTITUTIONAL BUYERS WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS. NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE IN THE UNITED STATES OR ELSEWHERE.

THIS ANNOUNCEMENT (INCLUDING THE APPENDIX) AND THE INFORMATION CONTAINED HEREIN 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, AUSTRALIA, CANADA, JAPAN, NEW ZEALAND, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

The distribution of this Announcement and/or the Placing and/or issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, Canaccord Genuity 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 such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and Canaccord Genuity to inform themselves about and to observe any such restrictions.

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 (the "**United States**" or the "**US**")), Australia, Canada, Japan, New Zealand or the Republic of South Africa 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 the Financial Services and Markets Act 2000 (as amended) ("**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 Placing 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, New Zealand or the Republic of South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan, New Zealand 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.

By participating in the Placing, each person who is invited to and who chooses to participate in the Placing (a "**Placee**") by making an oral and legally binding offer to acquire Placing Shares will be deemed to have read and understood this Announcement in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in the Appendix.

This Announcement may contain and the Company may make verbal statements containing "forward-looking statements" with respect to certain of the Company's plans and its current expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company, including amongst other things, United Kingdom domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, the effect of competition, inflation, deflation, the timing effect and other uncertainties of future acquisitions or combinations within relevant industries, the effect of tax and other legislation and other regulations in the jurisdictions in which the Company and its respective affiliates operate, the effect of volatility in the equity, capital and credit markets on the Company's profitability and ability to access capital and credit, a decline in the Company's credit ratings; the effect of operational risks; and the loss of key personnel. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans and expectations set forth in any forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. Except as required by applicable law or regulation, the Company and Canaccord Genuity expressly disclaim any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

Canaccord Genuity is authorised and regulated by the Financial Conduct Authority (the "**FCA**") in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Placing, and Canaccord Genuity will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this Announcement.

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 the Bookrunner 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.

No statement in this Announcement is intended to be a profit forecast or estimate, 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 get back the full amount invested upon disposal of the 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 Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange.

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.

## **Information to Distributors**

Solely for the purposes of the product governance requirements contained within: (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 disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (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 in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; Placing Shares offer no guaranteed income and no capital protection; and an investment in Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (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 who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Canaccord Genuity 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 (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to Placing Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

## **APPENDIX - TERMS AND CONDITIONS OF THE PLACING**

IMPORTANT INFORMATION FOR INVITED PLACEEES ONLY REGARDING THE PLACING.

THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) (TOGETHER, THE "**ANNOUNCEMENT**") AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, NEW ZEALAND, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.



MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. ALL OFFERS OF THE PLACING SHARES WILL BE MADE PURSUANT TO AN EXEMPTION UNDER DIRECTIVE 2003/71/EC (AND AMENDMENTS THERETO), AND INCLUDING ANY RELEVANT IMPLEMENTING MEASURE, IN THE RELEVANT MEMBER STATE OF THE EUROPEAN ECONOMIC AREA ("**EEA**") (THE "**PROSPECTUS DIRECTIVE**"), FROM THE REQUIREMENT TO PRODUCE A PROSPECTUS FOR OFFERS OF THE PLACING SHARES. THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT IN THIS ANNOUNCEMENT ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT PERSONS WHO ARE: (A) PERSONS IN AN EEA MEMBER STATE WHICH HAS IMPLEMENTED THE PROSPECTUS DIRECTIVE (A "**RELEVANT MEMBER STATE**"), UNDER THE FOLLOWING EXEMPTIONS UNDER THE PROSPECTUS DIRECTIVE, IF AND TO THE EXTENT THEY HAVE BEEN IMPLEMENTED IN THAT RELEVANT MEMBER STATE: (I) TO ANY LEGAL ENTITY WHICH IS A "**QUALIFIED INVESTOR**" AS DEFINED IN THE PROSPECTUS DIRECTIVE; (II) TO FEWER THAN 150 NATURAL OR LEGAL PERSONS (OTHER THAN QUALIFIED INVESTORS AS DEFINED IN THE PROSPECTUS DIRECTIVE), AS PERMITTED UNDER THE PROSPECTUS DIRECTIVE; OR (III) IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE COMPANY OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE, PROVIDED THAT NO SUCH OFFER TO THE PUBLIC SHALL RESULT IN A REQUIREMENT FOR THE PUBLICATION BY THE COMPANY OR CANACCORD GENUITY OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE; AND (B) (I) INVESTMENT PROFESSIONALS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, (THE "**ORDER**"); OR (II) HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS AND OTHER PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO THE LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF A SUBSCRIPTION FOR PLACING SHARES.

This Announcement is for information purposes only and does not constitute an offer to sell or issue or the solicitation of an offer to buy, subscribe for or otherwise acquire any Placing Shares in any jurisdiction in which any such offer or solicitation would be unlawful.

All offers of the Placing Shares will be made pursuant to an exemption under the Prospectus Directive from the requirement to produce a prospectus. This Announcement is being distributed and communicated to persons in the UK only in circumstances to

which section 21(1) of the Financial Services and Markets Act 2000 (the "**FSMA**") does not apply.

The Placing Shares referred to in this Announcement have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold or transferred in, into or within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the securities laws of any relevant state or other jurisdiction of the United States. There will be no public offer of the Placing Shares in the United States.

The distribution of this Announcement and the Placing and/or issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, Canaccord Genuity or any of their respective affiliates 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 such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and Canaccord Genuity to inform themselves about and to observe any such restrictions.

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

By participating in the Bookbuild and the Placing, Placees will be deemed to have read and understood this Announcement in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained in this Appendix 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 Relevant Member State who acquires any Placing Shares pursuant to the Placing:
  - a. it is a Qualified Investor; and

- b. 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:
  - i. the Placing Shares acquired by it in the Placing 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 Canaccord Genuity has been given to the offer or resale; or
  - ii. 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 and agreements contained in this Announcement;
4. it understands (or, if acting for the account of another person, such person understands) the resale and transfer restrictions set out in this Appendix; and
5. it (and any account referred to in paragraph 3 above) is either (i) located 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 or (ii) within the United States and is a **"qualified institutional buyer"** as defined in Rule 144A under the Securities Act (a **"QIB"**).

**No prospectus**

No prospectus or other offering document has been or will be submitted to be approved by the FCA in relation to the Placing and Placees' commitments will be made solely on the basis of the information contained in this Announcement, the announcement of the completion of the Placing through a Regulatory Information Service (the "**Placing Results Announcement**") and any information publicly announced through a Regulatory Information Service (as defined in the listing rules of the FCA) by or on behalf of the Company on or prior to the date of this Announcement (the "**Publicly Available Information**") and subject to any further terms set forth in the contract note or trade confirmation sent to individual placees. Each Placee, by participating in the Placing, agrees that it has neither received nor relied on any information, representation, warranty or statement made by or on behalf of Canaccord Genuity or the Company other than the Publicly Available Information and none of Canaccord Genuity, the Company nor any person acting on such person's behalf nor any of their affiliates has or shall have any liability for any Placee's decision to participate in the Placing 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 Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

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

Canaccord Genuity expects to enter into a Placing Agreement with the Company under which it has undertaken, on the terms and subject to the conditions set out in the Placing Agreement, to use reasonable endeavours to procure Placees for the Placing Shares.

The Placing Shares (comprising the Firm Placing Shares and Conditional Placing Shares) will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing ordinary shares in the capital of the Company, including the right to receive all dividends and other distributions declared, made or paid in respect of such ordinary shares after the date of issue of the relevant Placing Shares.

### **Application for admission to AIM and trading**

Application is being made to the London Stock Exchange for (a) Firm Admission of the Firm Placing Shares, and (b) Conditional Admission of the Conditional Placing Shares, to trading on the AIM market of the London Stock Exchange ("**AIM**") (each and together "**Admission**").

It is expected that (a) Firm Admission will take place on or before 8.00 a.m. (London time) on 19 October 2018 and that dealings in the Firm Placing Shares on AIM will commence at the same time and (b) Conditional Admission will take place on or before 8.00

a.m. (London time) on the business day following the General Meeting and that dealings in the Conditional Placing Shares on AIM will commence at the same time.

## **Bookbuild**

Canaccord Genuity will today commence the Bookbuild to determine demand for participation in the Placing by Placees. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

## **Principal terms of the Bookbuild and Placing**

Canaccord Genuity is acting as Nominated Adviser and sole bookrunner and broker of the Company in connection with the Placing.

Participation in the Placing will only be available to persons who may lawfully be, and are, invited by Canaccord Genuity to participate.

The Placing Price is 50 pence and the number of Placing Shares to be issued and the allocation of Placing Shares among the Placees will be determined by Canaccord Genuity in its absolute discretion following consultation with the Company. The number of Placing Shares to be issued will be announced through the Placing Results Announcement following the completion of the Bookbuild.

To bid in the Bookbuild, Placees should communicate their bid by telephone to their usual sales contact at Canaccord Genuity. Each bid should state the number of Placing Shares which a prospective Placee wishes to acquire at the Placing Price. Bids may be scaled down by Canaccord Genuity on the basis referred to below.

The Bookbuild is expected to close no later than 4 p.m. (London time) on 12 October 2018 but may be closed earlier or later at the discretion of Canaccord Genuity. Canaccord Genuity may, in agreement with the Company, accept bids that are received after the Bookbuild has closed. The Company reserves the right to reduce the amount to be raised pursuant to the Placing, in agreement with Canaccord Genuity.

An offer to acquire Placing Shares, which has been communicated by a prospective Placee to Canaccord Genuity which has not been withdrawn or revoked prior to publication of this Announcement shall not be capable of withdrawal or revocation immediately following the publication of this Announcement without the consent of Canaccord Genuity.

Each Placee's allocation will be determined by Canaccord Genuity (after consultation with the Company) and will be

confirmed orally by Canaccord Genuity as soon as practicable following the close of the Bookbuild. Canaccord Genuity's oral confirmation of an allocation will give rise to a legally binding commitment by the Placee concerned, in favour of Canaccord Genuity and the Company, under which it agrees to acquire the number of Placing Shares allocated to it on the terms and subject to the conditions set out in this Appendix and the Company's articles of association. Each Placees' allocation in the Firm Placing and the Conditional Placing shall be made pro rata to the size of that Placees' participation, subject always to the final determination of Canaccord Genuity in its absolute discretion.

The Company will release the Placing Results Announcement following the close of the Bookbuild, detailing the aggregate number of the Placing Shares to be issued at the Placing Price.

Each Placee's allocation and commitment will be evidenced by a contract note or trade confirmation issued to such Placee by Canaccord Genuity (this shall also set out that Placee's allocation across the Firm Placing and the Conditional Placing). The terms of this Appendix will be deemed incorporated therein.

Canaccord Genuity may choose to accept bids, either in whole or in part, on the basis of allocations determined at its discretion with agreement of the Company) and may scale down any bids for this purpose on such basis as they may determine or be directed. Canaccord Genuity may also, notwithstanding the paragraphs above, (a) allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time and (b) allocate Placing Shares after the Bookbuild has closed to any person submitting a bid after that time.

A bid in the Bookbuild will be made on the terms and subject to the conditions in this Appendix and will be legally binding on the Placee on behalf of which it is made and, except with Canaccord Genuity's consent, will not be capable of variation or revocation after the time at which it is submitted. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to Canaccord Genuity, to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Placing 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.

Except as required by law or regulation, no press release or other announcement will be made by Canaccord Genuity or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.

Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the same time, on the basis explained below under 'Registration and Settlement'.

All obligations under the Bookbuild and the Placing will be subject to fulfilment of the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Termination of the Placing".

By participating in the Bookbuild each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.

To the fullest extent permissible by law, neither Canaccord Genuity nor any of its affiliates nor any of its or its affiliates' agents, directors, officers or employees shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, neither Canaccord Genuity nor any of its affiliates nor any of its or their agents, directors, officers or employees shall have any liability (including, to the extent permissible by law, any fiduciary duties) in respect of Canaccord Genuity's conduct of the Bookbuild or of such alternative method of effecting the Placing as Canaccord Genuity and the Company may agree.

## **Registration and Settlement**

If Placees are allocated any Placing Shares in the Placing, they will be sent a contract note or trade confirmation which will confirm the number of Firm Placing Shares and Conditional Placing Shares at the Placing Price allocated to them and the aggregate amount owed by them to Canaccord Genuity. Each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the standing CREST or certificated settlement instructions which they have in place with Canaccord Genuity or otherwise as Canaccord Genuity may direct.

Settlement of transactions in the Placing Shares (ISIN: GB00BM4NV504

) following both Firm Admission and Conditional Admission (as the case may be) will take place within the CREST system. Settlement through CREST in respect of the Firm placing will be on a T+4 basis unless otherwise notified by Canaccord Genuity and is expected to occur on (a) 18 October 2018 (in relation to the Firm Placing) and (b) on or around the business day following the General Meeting (in relation to the Conditional Placing), (each and together a "**Settlement Date**"). Settlement will be on a delivery versus payment basis. However, in the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and Canaccord Genuity may agree that the Placing Shares should be issued in certificated form. Canaccord Genuity reserves the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as it deems necessary if delivery or settlement to Placees

is not practicable within the CREST system or would not be consistent with regulatory requirements in a Placee's jurisdiction.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above, in respect of either CREST or certificated deliveries, at the rate of 2 percentage points above prevailing LIBOR as determined by Canaccord Genuity.

If Placees do not comply with their obligations Canaccord Genuity may sell any or all of their Placing Shares on their behalf and retain from the proceeds, for its own account and benefit, an amount equal to the Placing Price of each share sold plus any interest due. Placees will, however, remain liable for any shortfall below the Placing Price and for any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of their Placing Shares on their behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that, upon receipt, the conditional contract note or trade confirmation is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

### **Conditions of the Placing**

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

The obligations of Canaccord Genuity under the Placing Agreement are, and the Placing is, conditional on, inter alia:

1. the Company having complied with its obligations under the Placing Agreement (which fall to be performed on or prior to Admission) and each of the warranties contained in the Placing Agreement not being untrue, inaccurate in any material respect or misleading when made, nor becoming untrue, inaccurate or misleading in any material respect as at the date of the Placing Agreement and the date of Firm Admission and Conditional Admission (as the case may be) as though they had been given and made on such dates (by reference to the facts and circumstances existing from time to time);



2. the Company allotting the relevant Placing Shares, prior to and conditional only on the relevant Admission, in accordance with the Placing Agreement;
3. In respect of the Firm Placing Shares, Firm Admission taking place not later than 8.00 a.m. (London time) on 18 October 2018 (or such later time and/or date as the Company and Canaccord Genuity may agree, being not later than 8.00 am on 31 October 2018) and in respect of the Conditional Placing Shares, Conditional Admission taking place not later than 8.00 a.m. on the business day following the General Meeting (or such later time and/or date as the Company and Canaccord Genuity may agree, being not later than 8.00 am on 16 November 2018); and
4. Receipt by the Company of all monies due under the Loan and the Bridging Loan, and both such agreements remaining in full force and effect.

(all conditions to the obligations of Canaccord Genuity included in the Placing Agreement being together, the "**conditions**"). Canaccord Genuity and the Company may agree to extend the time and/or date by which any condition is required to be fulfilled to no later than 8.00 am 16 November 2018.

If any of the conditions set out in the Placing Agreement is not fulfilled or, where permitted, waived to the extent permitted by law or regulations in accordance with the Placing Agreement within the stated time periods (or such later time and/or date as the Company and Canaccord Genuity may agree), or the Placing Agreement is terminated in accordance with its terms (as to which, see the "**Termination of the Placing**" section below), the Placing will lapse and the Placee's rights and obligations shall cease and terminate at such time and each Placee 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 Placing, each Placee agrees that its rights and obligations cease and terminate only in the circumstances described above and under "**Termination of the Placing**" below and will not be capable of rescission or termination by it.

Canaccord Genuity may, at its absolute discretion and upon such terms as it thinks appropriate, waive fulfilment of all or any of the conditions in the Placing Agreement in whole or in part (to the extent permitted by law or regulation) or extend the time provided for fulfilment of any such conditions in respect of all or any part of the performance thereof. Any such extension or waiver will not affect Placees' commitments as set out in this Appendix.

Neither Canaccord Genuity nor any of its affiliates nor any of its or its affiliates' agents, directors, officers or employees nor the Company 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 to the Placing nor for any decision any of them may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of Canaccord Genuity and the Company.

### **Termination of the Placing**

Canaccord Genuity may in its absolute discretion terminate the Placing Agreement at any time up to and including Admission in certain circumstances, including (among others) a breach of the warranties given to Canaccord Genuity or the occurrence of a force majeure event. Notice of termination may be communicated by Canaccord Genuity as soon as practicable to any director of the Company orally or by fax or email or otherwise and announced to a Regulatory Information Service.

If the Placing Agreement is terminated in accordance with its terms, the rights and obligations of each Placee in respect of the Placing as described in this Announcement shall cease and terminate at such time and no claim may be made by any Placee in respect thereof.

By participating in the Placing, each Placee agrees with the Company and Canaccord Genuity that the exercise by the Company or Canaccord Genuity 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 Canaccord Genuity (as the case may be) and that neither the Company nor Canaccord Genuity need make any reference to such Placee and that none of the Company, Canaccord Genuity, their respective affiliates or their or their respective affiliates' agents, directors, officers or employees, respectively, 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 Placing, each Placee agrees that its rights and obligations terminate only in the circumstances described above and under the "**Conditions of the Placing**" above and will not be capable of rescission or termination by it after oral confirmation by Canaccord Genuity following the close of the Bookbuild.

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

By submitting a bid in the Bookbuild, each prospective Placee (and any person acting on such Placee's behalf) represents,

warrants, acknowledges and agrees (for itself and for any such prospective Placee) that:

1. it has read and understood this Announcement in its entirety and that its acquisition of the Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained in this Appendix 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 Admission, the Placing, the Company, the Placing Shares or otherwise, other than the information contained in this Announcement and the Publicly Available Information;
2. it has not received a prospectus or other offering document in connection with the Placing and acknowledges that no prospectus or other offering document has been or will be prepared in connection with the Placing;
3. the Company's ordinary shares are admitted to trading on AIM, and that the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of AIM, 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. neither Canaccord Genuity nor the Company nor any of their respective affiliates, or their or their respective affiliates' agents, directors, officers or employees, respectively, nor 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 other than the information in this Announcement or any other Publicly Available Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares; nor has it requested Canaccord Genuity, 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. neither Canaccord Genuity nor any person acting on its behalf nor any of its affiliates, agents, directors, officers or employees, has or shall have any liability for this Announcement or any other Publicly Available Information, or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;
6. the content of this Announcement and the Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and that neither Canaccord Genuity nor any persons acting on its behalf are responsible for or have or shall have any liability for any information or representation, warranty or statement relating to the Company contained in this Announcement or any other Publicly Available Information, nor will they be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or statement contained in this Announcement, any other Publicly Available Information or otherwise. Nothing in this Appendix shall exclude any liability of any person for fraudulent misrepresentation;
7. it is not, and at the time the Placing Shares are acquired will not be, a resident of Australia, Canada, Japan, New Zealand or the Republic of South Africa 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 Australia, Canada, Japan, New Zealand or the Republic of South Africa and may not be offered, sold or acquired, directly or indirectly, within those jurisdictions;
8. the Placing Shares are being offered and sold only (i) outside the United States in "offshore transactions" as defined in, and in accordance with, Regulation S under the Securities Act; or (ii) to a limited number of persons that are QIBs pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act in a transaction not involving any

public offering. It and any account for which it is acting is either: (i) located 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 or (ii) a QIB which has duly executed a US investor letter in a form provided to it and delivered the same to Canaccord Genuity or its affiliates;

9. it (i) has such knowledge and experience in financial and business matters to be capable of evaluating the merits and the risks of an investment in the Placing Shares, (ii) will not look to Canaccord Genuity for all or part of any such loss it may suffer, (iii) is able to bear the economic risk of an investment in the Placing Shares, (iv) is able to sustain a complete loss of the investment in the Placing Shares and (v) has no need for liquidity with respect to its investment in the Placing Shares;
  
10. the only information on which it is entitled to rely and on which it has relied in committing to subscribe for the Placing Shares is contained in this Announcement, the Publicly Available Information such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on Publicly Available Information, (ii) Canaccord Genuity and the Company (or any of their respective affiliates) have not made any representation to it, express or implied, with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of the Publicly Available Information, (iii) it has conducted its own investigation of the Company, the Placing 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 Placing and (iv) it has not relied on any investigation that Canaccord Genuity or any person acting on its behalf may have conducted with respect to the Company, the Placing or the Shares;
  
11. 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, nor 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 Placing or the accuracy or adequacy of this Announcement. The Placing Shares have not been registered or otherwise qualified for offer and sale nor will a prospectus be cleared or approved in respect of the Placing Shares under the securities laws of Australia, Canada, Japan, New Zealand or the Republic of South Africa and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, Australia, Canada, Japan, New Zealand or the Republic of South Africa, or in any country or jurisdiction where any action for that purpose is required;

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

- a. is entitled to acquire Placing Shares pursuant to the Placing under the laws and regulations of all relevant jurisdictions;
- b. has fully observed such laws and regulations;
- c. 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
- d. 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) to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;

13. 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 Placing in or into 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;

14. none of Canaccord Genuity, its affiliates and any person acting on its behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of Canaccord Genuity and that Canaccord Genuity has no duties or responsibilities to it for providing the protections afforded to Canaccord Genuity's clients or customers or for providing advice in relation to the Placing 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;
  
15. it will make payment to Canaccord Genuity (as Canaccord Genuity may direct) 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 Canaccord Genuity may determine in its absolute discretion 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;
  
16. its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares which it will be entitled, and required, to acquire or subscribe for, and that it may be called upon to acquire or subscribe for a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;
  
17. no action has been or will be taken by any of the Company, Canaccord Genuity or any person acting on behalf of the Company or Canaccord Genuity 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;

18. the person who it specifies for registration as holder of the Placing Shares will be (i) the Placee or (ii) a nominee of the Placee, as the case may be. Canaccord Genuity and the Company will not be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. It agrees to acquire Placing Shares pursuant to the Placing on the basis that the Placing Shares will be allotted to a CREST stock account of Canaccord Genuity who will hold them as nominee directly or indirectly on behalf of the Placee until settlement in accordance with its standing settlement instructions with it;
19. 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 Placing 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;
20. it and any person acting on its behalf falls within Article 19 (5) and/or 49(2) of the Order, as amended, and 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;
21. it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom prior to Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85 (1) of FSMA;



22. if within the EEA, it is a Qualified Investor as defined in section 86(7) of FSMA, being a person falling within Article 2.1(e) of the Prospectus Directive;
23. 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;
24. 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 and the Financial Services Act 2012 in respect of anything done in, from or otherwise involving the United Kingdom);
25. 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 Placing 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 Canaccord Genuity has been given to the offer or resale;
26. it has not offered or sold and will not offer or sell any Placing Shares to persons in the EEA prior to Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purpose of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in any member state of the EEA;
27. if it has received any confidential price sensitive information about the Company in advance of the Placing, it has not: (a) dealt in the securities of the Company; (b) encouraged or required another person to deal in the securities of the Company; or (c) disclosed

such information to any person, prior to the information being made publicly available;

28. neither Canaccord Genuity, the Company nor any of their respective affiliates, or their or their respective affiliates' agents, directors, officers or employees, respectively, nor any person acting on behalf of such persons is making any recommendation to it, advising it regarding the suitability of any transaction it may enter into in connection with the Placing nor providing advice in relation to the Placing nor in respect of any representation, warranty, acknowledgement, agreement, undertaking or indemnity contained in the Placing Agreement nor the exercise or performance of any of Canaccord Genuity's rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
  
29. acknowledges and accepts that Canaccord Genuity may, in accordance with applicable legal and regulatory provisions, engage in transactions in relation to the Placing Shares and/or related instruments for their own account for the purpose of hedging their underwriting exposure or otherwise and, except as required by applicable law or regulation, Canaccord Genuity will not make any public disclosure in relation to such transactions;
  
30. it has complied with its obligations under the Criminal Justice Act 1993, the EU Market Abuse Regulation (2015/596/EU) ("**MAR**") and in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Criminal Justice Act 1993, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering Regulations 2007 and any related or similar rules, regulations or guidelines issued, administered or enforced by any government agency having jurisdiction in respect thereof (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;
  
31. except as set out in clause 32 below, represents and warrants that it has neither received nor relied on any 'inside information' (for the purposes of MAR and section

56 of the Criminal Justice Act 1993) concerning the Company prior to or in connection with accepting the invitation to participate in the Placing and is not purchasing Placing Shares on the basis of material non-public information;

32. if it has received any 'inside information' (for the purposes of MAR and section 56 of the Criminal Justice Act 1993) in relation to the Company and its securities, it confirms that it has received such information within the market soundings regime provided for in article 11 of MAR and associated delegated regulations and it has not:  
(i) dealt (or attempted to deal) in the securities of the Company; (ii) encouraged, recommended or induced another person to deal in the securities of the Company; or (iii) unlawfully disclosed inside information to any person, prior to the information being made publicly available;
  
33. its commitment to acquire Placing Shares on the terms set out in this Announcement will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or Canaccord Genuity's conduct of the Placing;
  
34. it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of acquiring 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 Placing. 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 Placing, including the merits and risks involved;
  
35. the Company, Canaccord Genuity and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements, which are given to Canaccord Genuity on its own behalf and on behalf of the Company and are irrevocable;

36. 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(s);
37. time is of the essence as regards its obligations under this Appendix;
38. any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to Canaccord Genuity;
39. the Placing Shares will be issued subject to the terms and conditions set out in this Appendix; and
40. this Appendix and all documents into which this Appendix is incorporated by reference or otherwise validly forms a part will be governed by and construed in accordance with English law. All agreements to acquire shares pursuant to the Bookbuild and/or the Placing will be governed by English law and the English courts shall have exclusive jurisdiction in relation thereto except that proceedings may be taken by the Company or Canaccord Genuity 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.

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) agrees to indemnify and hold the Company, Canaccord Genuity and each of their respective affiliates and each of their and their respective affiliates' agents, directors, officers and employees, respectively, 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 in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing.

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 UK relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, directly 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 were any such arrangements, or the settlement related to other dealings in the Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which neither the Company nor Canaccord Genuity would be responsible. If this is the case, it would be sensible for Placees to take their own advice and they should notify Canaccord Genuity 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 UK 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 Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such non-UK 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 Canaccord Genuity in the event that either the Company and/or Canaccord Genuity have incurred any such liability to such taxes or duties.

The representations, warranties, acknowledgements and undertakings contained in this Appendix are given to Canaccord Genuity for itself and on behalf of the Company and are irrevocable.

Canaccord Genuity is authorised and regulated by the FCA in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Bookbuild, the Placing and Admission and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Bookbuild or the Placing and will not be responsible to anyone (including Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Bookbuild or the Placing or other matters referred to in this Announcement.

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

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that Canaccord Genuity may (at its absolute discretion) satisfy its obligations 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 Canaccord Genuity, any money held in an account with Canaccord Genuity 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 which therefore will not require Canaccord Genuity to segregate such money, as that money will be held by it under a banking relationship and not as trustee.

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

All times and dates in this Announcement may be subject to amendment. Canaccord Genuity will notify Placees and any persons acting on behalf of the Placees of any changes.

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.

This Announcement may contain and the Company may make verbal statements containing "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company, including amongst other things, United Kingdom domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, the effect of competition, inflation, deflation, the timing effect and other uncertainties of future acquisitions or combinations within relevant industries, the effect of tax and other legislation and other regulations in the jurisdictions in which the Company and its affiliates operate, the effect of volatility in the equity, capital and credit markets on the Company's profitability and ability to access capital and credit, a decline in the Company's credit ratings; the effect of operational risks; and the loss of key personnel. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans, goals and expectations set forth in any forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. Except as required by applicable law or regulation, the Company expressly disclaims any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained

in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

### **Information for distributors**

**Solely for the purposes of the product governance requirements contained within: (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 disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (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 who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Canaccord Genuity 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 (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.**

**Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.**

