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**The information communicated in this announcement includes inside information for the purposes of Article 7 Regulation 596/2014.**

27 March 2020

**Big Sofa Technologies Group plc**  
("Big Sofa Technologies" or the "Company")

**Proposed cancellation of admission to trading on AIM of the Ordinary Shares and Notice of General Meeting**

Big Sofa Technologies (AIM:BST), an international video analytics provider to the insight and analytics industries, announces that its Board has decided to seek shareholder approval for cancellation of the admission of its ordinary shares to trading on AIM. The Company will be posting a circular to Shareholders today convening a general meeting of the Company for Shareholders to approve the Cancellation.

**Proposed cancellation of admission to trading on AIM**

The Board has considered the benefits and drawbacks to the Company retaining admission of its Ordinary Shares to trading on AIM.

The Circular will set out the background to, the reasons for and the implications of Cancellation and to explain why the Board believes that Cancellation is in the best interests of the Company and its shareholders as a whole. Pursuant to Rule 41 of the AIM Rules for Companies, Cancellation is conditional upon the approval of not less than 75 per cent. of the votes cast by the Company's shareholders (whether in person or by proxy) at the General Meeting.

The General Meeting will be held at 9.00 a.m. on 14 April 2020 at the offices of Kindred Agency Limited, 4th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF.

A copy of the expected timetable and letter from the Chairman of the Company extracted from the Circular are set out below.

The process for the FSP will not change as a result of Cancellation and the Company will continue to be subject to the City Code. The Directors will provide shareholders with updates on the FSP, as applicable, by way of an announcement through a Regulatory Information Service and also via the Company's website, [www.bigsofatech.com](http://www.bigsofatech.com).

**Enquiries:**

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Paul Shackleton / Ben Cryer

## **About Big Sofa Technologies Group plc**

Big Sofa Technologies is a video analytics company. The design and development of our technology has been guided by expert understanding of the insight and analytics industries and the needs, pressures and business questions of the clients they serve.

We uncover and analyse new-to-the-industry behavioural data sets in video, enabled by the power of our pioneering data capture and platform technology. We are innovating both in how video-led projects and programmes are designed and in how the data is analysed, showcased, embedded and re-mined.

Our software platform collates, analyses and organises large volumes of raw/unstructured video enabling our clients, which include leading market research and data companies and major household brands, to perform detailed and sophisticated consumer insight analysis and make genuine use of video content.

Big Sofa Technologies' shares are admitted to trading on the London Stock Exchange's AIM market under the ticker BST.L.

To find out more, visit [www.bigsotatech.com](http://www.bigsotatech.com)

Arden Partners plc, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and joint broker to the Company and for no one else in connection with the Cancellation. Persons receiving this announcement should note that Arden will not be responsible to anyone other than the Company for providing the protections afforded to customers of Arden or for advising any other person on the arrangements described in this announcement. Arden has not authorised the contents of, or any part of, this announcement and no liability whatsoever is accepted by Arden for the accuracy of any information or opinions contained in this announcement or for the omission of any information. Arden, as nominated adviser and joint broker to the Company, owes certain responsibilities to the London Stock Exchange which are not owed to the Company, the Directors, the Shareholders or any other person.

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities whether pursuant to this announcement or otherwise.

This announcement contains inside information for the purposes of Article 7 of the Regulation (EU) No 596/2014 on Market Abuse. Upon the publication of this announcement, this information is considered to be in the public domain.

The distribution of this announcement in jurisdictions outside the United Kingdom may be restricted by law and therefore persons into whose possession this announcement comes should inform themselves about, and observe, such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities law of any such jurisdiction.

### **EXPECTED TIMETABLE OF PRINCIPAL EVENTS**

Announcement of Cancellation pursuant to AIM Rule 41

**2020\***

27 March

|   |                       |
|---|-----------------------|
| Publication and posting of the Circular   | 27 March              |
| Latest time and date for receipt of the proxy appointment for the General Meeting | 9 a.m. on 8 April     |
| Time and date of the General Meeting  | 9 a.m. on 14 April    |
| Results of the General Meeting announced  | 14 April              |
| Last day of dealings in Ordinary Shares on AIM                                    | 28 April              |
| Expected time and date of Cancellation  | 7.00 a.m. on 29 April |

The Cancellation requires the approval of not less than 75 per cent. of votes cast by Shareholders, whether voting in person or by proxy, at the General Meeting.

*\* All references to times in this timetable are to London times and each of the times and dates are indicative only and may be subject to change. Any such change will be notified by an announcement on a Regulatory Information Service.*

## LETTER FROM THE CHAIRMAN OF BIG SOFA TECHNOLOGIES GROUP PLC

### BIG SOFA TECHNOLOGIES GROUP PLC

*(Incorporated and registered in England and Wales under the Companies Act 2006 with registered number 07847321)*

#### **Directors:**

Nicholas (Nick) Mustoe - *Non-Executive Chairman*  
 Christina (Kirsty) Fuller - *Chief Executive Officer*  
 Joseph (Joe) MacCarthy - *Chief Financial Officer*  
 Matthew (Matt) Lynch - *Chief Strategy Officer*  
 Steven Metcalfe - *Non-Executive Director*  
 John Haworth - *Non-Executive Director*

#### **Registered office:**

Finsgate  
 5-7 Cranwood Street  
 London  
 EC1V 9EE

27 March 2020

To Shareholders

### ***Proposed cancellation of admission to trading on AIM of the Ordinary Shares and Notice of General Meeting***

#### **Introduction**

Earlier today the Company announced that it was seeking Shareholder approval for the cancellation of the admission of its Ordinary Shares to trading on AIM.

The purpose of this letter is to explain the background to the Cancellation and the reasons why the Directors unanimously consider it to be in the best interests of the Company and its Shareholders as a whole and to seek your approval for the Cancellation at the General Meeting convened for this purpose. The Notice of the General Meeting will be set out at the end of the Circular.

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

The Directors are proposing to delist the Company from AIM pursuant to Rule 41.

On 16th March, the Company announced a suspension in the trading of its shares on AIM. The Company had been in the process of finalising a long-planned equity raise to fund the next stage of its growth. That fundraising was expected to close in mid-March but, due to current market turbulence, it could not be completed. The Directors have concluded that the ongoing situation has made it impossible to raise conventional funds on AIM, and this has precipitated a critical short-term working capital requirement. The Company only has working capital until May 2020.

The Directors believe that for the business to capture the substantial commercial growth opportunity in video data analytics, the Company needs additional finance from a financial or strategic partner. Accordingly, on 16 March the Company announced a formal sale process under the Takeover Code.

Alongside the FSP, the Directors are seeking short term funding in order to extend the time available to conclude the FSP and to maximise Shareholder value. Such financing may include terms which are not compatible with being listed on AIM. Some of the early stage conversations that the Company has had were predicated on the Company not being an AIM-quoted company. There is currently no certainty as to a positive outcome to these exploratory conversations.

As a result, the Board believes it is prudent to commence the process of delisting the Company concurrently with seeking funding and proceeding with the FSP in order that if terms are agreed, a transaction can proceed without delay. Trading in the Ordinary Shares will not be restored before Cancellation owing to the uncertain financial condition of the Company.

The FSP will not change as a result of the Cancellation and the Directors will provide Shareholders with updates on the process, as applicable, via the Company's website [www.bigsofatech.com/investors](http://www.bigsofatech.com/investors).

In addition, the Directors believe that Cancellation will save the ongoing costs of maintaining Admission, which are significant (approximately £160,000 annually), and will allow senior management more time to focus on current funding need and, assuming that is addressed, growing the business in the longer term.

Taking these factors into account the Board believes that Cancellation is in the best interests of the Company and its Shareholders as a whole.

### **Process for Cancellation**

In accordance with Rule 41 of the AIM Rules, the Company has notified the London Stock Exchange of its intention to cancel Admission subject to Shareholders' approval and giving 20 business days' notice. Additionally, Cancellation will not take effect until at least five clear business days have passed following the passing of the Resolution. Under the AIM Rules, it is a requirement that Cancellation is approved by the requisite majority of Shareholders voting at the General Meeting (being not less than 75 per cent. of the votes cast, whether in person or by proxy). Accordingly, the Resolution seeks Shareholders' approval of Cancellation. Subject to the Resolution being passed, it is anticipated that trading in the Ordinary Shares on AIM will cease at the close of business on 28 April 2020 with Cancellation taking effect at 7.00 a.m. on the following business day, 29 April 2020.

Upon the Cancellation becoming effective, the Company will no longer be required to comply with the AIM Rules. Shareholders should note however that the Company will nevertheless remain subject to the provisions of the Takeover Code.

### **Effect of Cancellation on Shareholders**

The principal effects that Cancellation will have on Shareholders are as follows:

- there will be no public market on any recognised investment exchange or multilateral trading facility for the Ordinary Shares and, consequently, there can be no guarantee that a Shareholder will be able to purchase or sell any Ordinary Shares. Share transfers may still be effected after the date of Cancellation. While the Ordinary Shares will remain freely transferable, they might be more difficult to trade compared to shares of companies admitted to trading on AIM. It may also be more difficult for Shareholders to determine the market value of their shareholdings in the Company at any given time;
- whilst the Company's CREST facility will remain in place following the Cancellation, the Company's CREST facility may be cancelled in the future and, although the Ordinary Shares will remain transferable, they may cease to be transferable through

CREST. In this instance, Shareholders who hold Ordinary Shares in CREST will receive share certificates;

- as stated above, the Company will no longer be required to comply with the AIM Rules, therefore Shareholders will no longer be afforded the protections given by the AIM Rules. In particular:
  - the Company will not be bound to make any public announcements of material events or to announce interim or final results, comply with any of the corporate governance practices applicable to AIM companies, announce substantial transactions and related party transactions, or comply with the requirement to obtain shareholder approval for reverse takeovers and fundamental changes in the Company's business;
  - AIM Rule 15, which requires shareholder approval in circumstances of a divestment of all, or substantially all, of its trading business, activities or assets, will cease to apply. This may be relevant in the context of the FSP;
  - AIM Rule 26, obliging the Company to publish prescribed information on its website, will cease to apply; and
  - the Company will cease to retain a nominated adviser and broker;
- the Company will no longer be subject to the Market Abuse Regulation regulating inside information; and
- Cancellation may have personal taxation consequences for Shareholders. **Shareholders who are in any doubt about their tax position should consult their own independent tax adviser.**

Nevertheless:

- the Company will remain subject to English company law, which mandates shareholder approval for certain matters; and
- the Company will remain subject to the provisions of the Takeover Code provided that the Company continues to have its registered office in the UK and is considered by the Panel to have its place of central management and control in the UK.

The above considerations are not exhaustive, and Shareholders should seek their own independent advice when assessing the likely impact of Cancellation.

Following Cancellation becoming effective, the Board intends to provide certain facilities and services to Shareholders, including:

- posting information on its website at [www.bigsofatech.com/investors](http://www.bigsofatech.com/investors), although Shareholders should be aware that there will be no obligation on the Company to include the information required under AIM Rule 26 or to update the website as required by the AIM Rules;
- holding general meetings in accordance with the applicable statutory requirements; and
- providing access to and/or provide copies of the Company's audited accounts in accordance with the applicable statutory requirements.

The Company will remain registered with the Registrar of Companies in England & Wales in accordance with, and subject to, the Companies Act 2006, notwithstanding Cancellation.

Following Cancellation, it will still be possible to hold Ordinary Shares in uncertificated form in CREST.

**Shareholders should be aware that if Cancellation takes effect, they will at that time cease to hold Shares in a company whose shares are admitted to trading on AIM and the matters set out above will automatically apply to the Company from the date of Cancellation.**

**Shareholders who are in any doubt about their tax position should consult their own independent professional adviser.**

**Trading mechanism post Cancellation**

The Directors are aware that, should Cancellation be approved by the Shareholders at the General Meeting, it would make it difficult to buy and sell Ordinary Shares. At present, given the turbulence in the markets and the volatility in the Company's share price the Board do not believe that there is appetite amongst Shareholders to buy or sell Ordinary Shares. The Directors anticipate that the FSP will be concluded during the course of this year. Accordingly the Directors do not intend to put in place any facility for the buying or selling of Ordinary Shares.

### **Share Option Scheme**

The rights of holders of options under the Company's share option schemes will remain unaffected by Cancellation.

### **Taxation**

**Shareholders are strongly advised to consult their professional advisers about their own personal tax position arising in connection with Cancellation.**

### **General Meeting**

The Cancellation requires the approval of Shareholders at the General Meeting of a special resolution, which requires the approval of not less than 75 per cent. of the Shareholders voting either directly or via proxy at the General Meeting. Accordingly, a notice will be set out at the end of the Circular convening the General Meeting to be held at the offices of Kindred Agency Limited, 4th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF at 9 a.m. on 14 April 2020 at which the Resolution to cancel the admission of the Shares to trading on AIM will be proposed.

**The Board cannot stress strongly enough its wish that Shareholders do not put themselves at risk of becoming infected with COVID-19 as a result of travelling to or attending the General Meeting. Given the current Government guidelines on meetings involving more than a small handful of people the Board would encourage you not to attend the General Meeting but instead to appoint a proxy in accordance with the instructions set out below.** In order to enable Shareholders to ask questions relating to the Cancellation, Shareholders are requested to email any questions to the Company ([joemaccarthy@bigsofatech.com](mailto:joemaccarthy@bigsofatech.com)) by no later than 6.00p.m on 7 April 2020. Answers will be posted on the Company's website by no later than 6.00p.m on 8 April 2020. If, notwithstanding the above advice, you do intend to attend the General Meeting in person please would you contact the Company Secretary by email ([joemaccarthy@bigsofatech.com](mailto:joemaccarthy@bigsofatech.com)) to confirm your attendance.

### **Action to be taken**

Whether or not you intend to be present in person at the General Meeting (and the Board would strongly recommend that you do not), you are strongly encouraged to complete a valid proxy appointment. Proxy appointments should be made electronically, by post or, during normal business hours only, by hand, to Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible but in any event so as to arrive by no later than 9 a.m. on 8 April 2020 (or, in the case of an adjournment of the General Meeting, no later than 48 hours before the time fixed for the holding of the adjourned meeting).

Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the General Meeting in the event of your absence. The completion and return of a valid proxy appointment will not preclude you from attending and voting in person at the General Meeting, or any adjournment thereof, should you wish to do so, but the Board would encourage you **not** to attend the General Meeting.

### **Recommendation**

The Directors consider the Cancellation to be in the best interests of the Company and the Shareholders as a whole and, accordingly, unanimously recommend that Shareholders vote in favour of the Resolution to be proposed at the General Meeting as they intend to do in respect of their own beneficial holdings amounting, in aggregate, to 28,123,981 Ordinary Shares, representing approximately 15 per cent. of the Issued Share Capital.

Yours faithfully

Nick Mustoe  
Chairman

## DEFINITIONS

The following words and expressions shall have the following meanings throughout this announcement unless the context otherwise requires:

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| "Admission"                              | the admission to trading on AIM of the Ordinary Shares   |
| "AIM"                                    | the AIM market operated by the London Stock Exchange   |
| "AIM Rules"                              | the rules for AIM companies as published by the London Stock Exchange from time to time  |
| "Arden"                                  | Arden Partners plc, the Company's nominated adviser and broker   |
| "Board" or "Directors"                   | the directors of the Company   |
| "Business Day"                           | any day which is not a Saturday, Sunday or a public holiday in the UK  |
| "Cancellation"                           | the proposed cancellation of Admission, subject to passing of the Resolution and in accordance with Rule 41 of the AIM Rules                                       |
| "certificated" or "in certificated form" | a share or other security which is not in uncertificated form (that is, not in CREST)  |
| "Circular"                               | the circular expected to be posted to Shareholders on 27 March 2020  |
| "Company" or "Big Sofa"                  | Big Sofa Technologies Group plc, a company registered in England and Wales with registered number 07847321   |
| "CREST"                                  | the computerised settlement system to facilitate transfer of title to or interests in securities in uncertificated form operated by Euroclear UK & Ireland Limited |
| "CREST Regulations"                      | the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755), as amended  |
| "FCA"                                    | the Financial Conduct Authority of the UK  |
| "FSMA"                                   | the Financial Services and Markets Act 2000, as amended  |
| "FSP"                                    | a formal sale process conducted under the terms of the Takeover Code   |
| "General Meeting"                        | the general meeting of the Company, notice of which is set out at the end of the Circular, and any adjournment thereof   |
| "Issued Share Capital"                   | the 186,250,692 existing Ordinary Shares in issue at the date of the Circular, all of which are admitted to trading on AIM   |
| "London Stock Exchange"                  | London Stock Exchange plc, a company registered in England and Wales with registered number 02075721   |
| "Notice of General Meeting"              | the notice of the General Meeting, which is set out at the end of the Circular   |

|  |   |
|--|---|
| "Ordinary Shares"                            | ordinary shares of 3 pence each in the share capital of the Company   |
| "Panel"                                      | the Panel on Takeovers and Mergers  |
| "Regulatory Information Service"             | a regulatory information service as defined by the AIM Rules  |
| "Registrars"                                 | Link Asset Services   |
| "Resolution"                                 | the resolution to be proposed at the General Meeting, as set out in the Notice of General Meeting   |
| "Shareholder(s)"                             | holder(s) of Ordinary Shares  |
| "Takeover Code"                              | the City Code on Takeovers and Mergers, as amended from time to time  |
| "UK" or "United Kingdom"                     | the United Kingdom of Great Britain and Northern Ireland  |
| "uncertificated" or "in uncertificated form" | a share or security recorded in the Company's register of members as being held in uncertificated form, title to which may be transferred by means of CREST |
| "US" or "United States"                      | the United States of America  |
| "£", "pounds sterling", "pence" or "p"       | are references to the lawful currency of the United Kingdom   |

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