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This announcement contains inside information.

**EVR Holdings plc**

('EVR' or the 'Company')

**Accelerated bookbuild to raise gross proceeds of up to approximately \$12 million**

**Appointment of new External Auditor**

**Creation of new Joint Share Ownership Plan**

**Board Changes**

**Proposed Exercise of Warrants**

**and**

**Proposed secondary placing of ordinary shares in EVR**

EVR Holdings (AIM: EVRH), one of the leading creators of virtual reality content, announces a proposed placing of new ordinary shares of one penny each ("**Ordinary Shares**") in the capital of the Company (the "**Primary Placing Shares**") at a price of 3.75 pence per share (the "**Placing Price**") with existing and new investors, to raise gross proceeds of up to approximately \$12 million (£10.32 million<sup>1</sup>) (the "**Primary Placing**").

EVR further announces that it has been advised by Anthony Matchett and Steven Hancock (together the "**Selling Shareholders**"), that they each intend to sell up to approximately 13,333,333 Ordinary Shares in the Company (the "**Secondary Placing Shares**") at the same time and on the same terms as the Primary Placing (the "**Secondary Placing**", and together with the Primary Placing, the "**Placing**"). When combined with the Primary Placing Shares, the aggregate number of Ordinary Shares in the Company being placed pursuant to the Placing is up to 302,077,632 Ordinary Shares in the Company (the "**Placing Shares**").

## **Highlights**

- Gross proceeds of the Primary Placing of approximately \$12 million before expenses (approximately \$11.52 million after expenses).
- The Placing is conditional on, inter alia, Admission taking place by no later than 8 a.m. on 27 March 2020.
- Arden Partners plc ("**Arden**") is acting as Nominated Adviser and sole UK broker to the Company.
- Beech Hill Securities, Inc. ("**Beech Hill Securities**") is acting as sole US broker to the Company.

## **Background to the Placing & strategic rationale**

EVR is a leading creator of virtual reality entertainment content and operator of the MelodyVR platform, a digital entertainment VR platform that provides on demand access to a music catalogue of approximately 1,400 tracks. The launch of our platform in 2018 heralded a new way for artists to monetise their music and for music fans around the world to further harness the digital transformation of the music industry. We set out to re-define fans expectation of music consumption via robust and seamless access to new and ground breaking immersive music experiences and make these experiences instantly available to everyone.

We are a global VR music service licenced by all three of the major record labels providing our users with high-resolution access to our VR music catalogue. We license and aggregate music from content owners, paying royalties to rights holders who in turn distribute these earnings to the artists themselves. Through our innovation, our goal is to provide the best entertainment experience possible, and in turn drive more people to engage with our platform more of the time.

Our projected model caters for profitability at scale. We believe our users are well engaged and our strategy is to monetise our entertainment content through live broadcast, recorded event, track or album, subscription to our platform content and potentially advertising, with each revenue stream existing independently but thriving together. As our reach expands, we are confident that revenues will follow, and that at scale margins will improve.

The up to \$11.52 million net proceeds of the Primary Placing will be utilised to extend reach and user engagement and to further enhance MelodyVR both in terms of content and functionality with the ambition of harnessing the significant first mover advantages within this compelling market opportunity. The net proceeds will also be used to hire new personnel, provide funds for warehousing costs, assist with the development of the MelodyVR platform and subscription offering, fund ongoing operating expenses and provide general working capital for the Company.

1. Based on the GBP : USD exchange rate of 1.1619 as at 20 March 2020, source xe.com.

#### EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of Placing	23 March 2020
Anticipated announcement of completion of Placing	23 March 2020
Anticipated Admission of the Primary Placing Shares to trading on AIM	8 a.m. on 27 March 2020

#### Appointment of new External Auditor

In addition, the Company also announces that following a formal tender process overseen by the Audit Committee, with a selection process including members of the Audit Committee as well as the Chairman, the Board has approved the appointment of RMT Accountants and Business Advisors Limited ("**RMT**") as its External Auditor for the year ending 31 December 2019, subject to completing the necessary processes. Their appointment will be subject to shareholder approval at the 2020 Annual General Meeting.

#### Creation of new Joint Share Ownership Plan

In order to incentivise and retain key members of the executive management team, the Company's directors (the "**Board**") intend to shortly adopt new a Joint Share Ownership Plan (the "**JSOP**") which will result in the acquisition, subject to certain vesting conditions, of shares equivalent to up to 10 per cent. of the Company's issued share capital. It is intended that the Remuneration Committee will be responsible for setting the level of participation and any performance targets in respect of any award pursuant to the JSOP.

Under the terms of the JSOP, Company directors and certain employees will be invited to acquire (for a nominal payment), jointly with the trustee of an Employee Benefit Trust, the beneficial interest in a number of Ordinary Shares, upon the terms of a joint ownership agreement (the "**JOA**"). Under the JOA, the executive will potentially benefit from any growth in value of Ordinary Shares that exceeds a hurdle set at the time of the award. The Employee Benefit Trust will be used to hold Ordinary Shares for the purposes of the JSOP with awards vesting subject to a certain vesting criteria to be determined by the Board. Any individual award will be subject to the requirements of AIM Rules as applicable, including AIM Rule 13.

#### Board Changes

The Board is pleased to announce the intention for William Grant Dollens (41) to be appointed to the Board as Non-Executive Director of the Company as soon as practically possible at which time he will join the Remuneration Committee.

Mr Dollens is currently Managing Member at Global Frontier Investments, LLC, a US-based investment manager, and Portfolio Manager for Global Frontier Partners, LP, a shareholder in EVR and whose knowledge of the public markets in both the United Kingdom and the United States will prove invaluable in supporting the Board's strategic corporate objectives.

Prior to founding Global Frontier Investments, Mr Dollens worked for Ayer Capital Management, BA Venture Partners and Deutsche Bank. Mr Dollens also holds a Masters in Business Administration with majors in analytical finance, management & strategy, and accounting from the Kellogg School of Management at Northwestern University, and a BSE, biomedical engineering, from Duke University. Mr Dollens is also a Non-Executive Director of WANdisco plc, the AIM listed live data company for machine learning and AI.

At the current time, Mr Dollens holds 1,904,000 Ordinary Shares in his own name, representing approximately 0.1 per cent of the existing issued ordinary share capital of the Company and Global Frontier Partners, LP holds 33,003,657 Ordinary Shares representing approximately 2.2 per cent of the existing issued ordinary share capital of the Company. Mr Dollens intends to participate in the Primary Placing, further details will be announced in due course.

Current Directorships	Past Directorships
WANdisco plc	Sartoris Property, LLC
ColdQuanta Inc.	
Global Frontier Investments, LLC	

Global Frontier Partners, LP	
Dollens Family Foundation	
WF Triple S, LLC	
Global Frontier Opportunity Fund, LP	
Global Frontier Quantum Opportunity Fund, LP	
Global Frontier Life Science Opportunity Fund, LP	

Other than as provided in this announcement, no other disclosures in relation to Mr Dollens are required under Rule 17 and schedule 2(g) of the AIM Rules for Companies.

In addition, Ian Hanson non-executive director will resign from the Board with effect from 1 April 2020.

#### **Proposed Exercise of Warrants**

It is proposed that certain holders of warrants in the Company will exercise warrants over the below Ordinary Shares in connection with and upon completion of the Placing. These holders of warrants include Simon Cole, Senior Non-Executive Director who intends to exercise 4,615,090 warrants and intends to sell up to 1,250,000 Ordinary Shares with the agreement of the Company's independent directors to fund the tax liabilities arising on the exercise of such warrants.

<b>Number of Ordinary Shares</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
4,630,180	1.1p	16 May 2026
4,615,090	1.2p	31 July 2020
1,470,588	1.85p	16 October 2019*

\* The Board previously exercised its discretion to agree an extension to the expiry date of these warrants following a reasonable request from the relevant unconnected third party holder of warrants which had been unable for administrative reasons to exercise its warrants prior to the original expiry date as it had intended.

#### **For further information please contact:**

##### **EVR Holdings plc**

**Anthony Matchett**, Executive Chairman & CEO

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

**Arden Partners plc:** Nominated Adviser, Broker and Joint Bookrunner

Tel: +44 (0) 20 7614 5900

**Corporate Broking:** Simon Johnson

**Corporate Finance:** Ciaran Walsh / Ruari McGirr / Ben Cryer

**Beech Hill Securities, Inc.:** Joint Bookrunner

Tel: +1 646 574 3171

**Capital Markets and Corporate Broking:** Thomas Lawrence

**Chief Executive Officer:** Vincent Iannuzzi

#### **Notes to Editors:**

MelodyVR Ltd ("**MelodyVR**") is a wholly owned subsidiary of EVR Holdings plc, a company that is listed on the AIM market of the London Stock Exchange under the ticker EVRH.L. EVR, a creator of virtual reality content, joined AIM on 16 May 2016 following a reverse takeover of Armstrong Ventures plc. Further information can be viewed at [www.evrholdings.com](http://www.evrholdings.com) and [www.melodyvr.com](http://www.melodyvr.com).

Additional information on the Placing is included below.

Prior to its publication, certain information contained within this announcement was deemed to constitute inside information for the purposes of Article 7 of EU Regulation 596/2014 ("**MAR**"). In addition, market soundings (as defined in MAR) were taken in respect of the Placing with the result that certain persons became aware of inside information (as defined in MAR), as permitted by MAR. This inside information is set out in this announcement and such information is now considered to be in the public

domain. Accordingly, those persons that received inside information in a market sounding are no longer in possession of such inside information relating to the Company and its securities.

**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 and the Appendix to this Announcement which contains detailed terms and conditions of the Placing (which forms part of this Announcement).**

### **Important Notices**

The Ordinary Shares of the Company have not been and will not be registered under the US Securities Act of 1933, as amended.

Arden is regulated in the United Kingdom by the Financial Conduct Authority (the "FCA"). Each of Arden and Beech Hill Securities is acting exclusively for the Company and no one else in connection with the Placing, and Arden and Beech Hill Securities will each 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.

### **Forward-looking statements**

This announcement contains statements about EVR that are or may be deemed to be "forward-looking statements".

All statements, other than statements of historical facts, included in this announcement may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates", "estimates", "projects", "would", "could", "continue" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include, without limitation, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of EVR.

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

### **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, Arden 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.

## **Additional information on the Placing**

### **Structure**

The Directors have given careful consideration as to the structure of the proposed Placing and have concluded that the Placing is the most suitable option available to the Company at this time on account of cost, timing and certainty.

The Company intends to raise up to approximately \$12 million (£10.32 million) (before expenses) pursuant to the Primary Placing at the Placing Price of 3.75 pence per share through the issuance of up to 275,410,966 Primary Placing Shares. When combined with the Secondary Placing Shares, the aggregate number of Ordinary Shares in the Company being placed pursuant to the Placing is up to 302,077,632 Ordinary Shares in the Company (the "Placing Shares").

The Placing Price represents a discount of 6.25 per cent. to the closing price per share of 4 pence on 20 March 2020, being the latest practicable date before this announcement.

The Placing Shares are being offered to certain qualifying investors on the Company's and Selling Shareholders' behalf by the Company's Nomad and sole broker, Arden in the United Kingdom and the Company's broker Beech Hill Securities (Beech Hill Securities and Arden together, the "Bookrunners") in the United States of America. The Placing Shares are being offered by way of an accelerated bookbuild ("Bookbuild") which will be launched immediately following this announcement. The books are expected to close no later than 5.00 p.m. (New York time) on 23 March 2020. However, the timing of the closing of the Bookbuild, the final number and allocation of Placing Shares to be issued at the Placing Price are to be determined at the discretion of the Company and the Bookrunners. A further announcement will be made following closing of the Placing, confirming the final details of the fundraising.

### **Principal terms of the Placing**

On 23 March 2020, the Company and the Selling Shareholders entered into a Placing Agreement with Arden and Beech Hill Securities (the "Placing Agreement") pursuant to which they were appointed as agents for the Company and the Selling Shareholders (in the UK and the US respectively) and each agent agreed to use reasonable endeavours to place the Placing Shares at the Placing Price. The Placing is not being underwritten.

The Placing Agreement is conditional upon, among other things, the conditions set out above and none of the warranties or undertakings given to the Bookrunners prior to Admission being or becoming untrue, inaccurate or misleading in any material respect. The Placing Agreement contains customary warranties given by the Company in favour of the Bookrunners in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify the Bookrunners (and their respective affiliates) in relation to certain liabilities which they may incur in respect of the Placing. Certain customary warranties have been provided by the Selling Shareholders pursuant to the Placing Agreement. Under the Placing Agreement, the Company and the Selling Shareholders have agreed to pay the Bookrunners a fee. Each of Arden and Beech Hill Securities has the right to terminate the Placing Agreement in certain circumstances prior to Admission. In particular, in the event of a material breach of the warranties or a material adverse change or if the Placing Agreement does not become unconditional.

### **Conditions to the Placing**

The Placing is conditional, *inter alia*, upon the following:

- Admission occurring by no later than 8.00 a.m. 27 March 2020 (or such later times and/or dates as may be agreed between the Company and the Bookrunners, being no later than 8.00 a.m. on 10 April 020);
- the Placing Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms; and
- the Bookrunners having received legally binding commitments from placees to subscribe for all of the Placing Shares.

If the conditions set out above and in the Placing Agreement are not satisfied or waived, where capable of waiver, the Placing will lapse and the Primary Placing Shares will not be issued and the Secondary Placing Shares will not be sold and all monies received from investors in respect of the Placing Shares will be returned to them (at the investors' risk and without interest) as soon as possible thereafter.

### **Application for Admission**

Application has been made to the London Stock Exchange for the Primary Placing Shares to be admitted to trading on AIM. Admission of the Placing Shares is expected to take place, and dealings on AIM are expected to commence, no later than 8.00

a.m. on 27 March 2020 (or such later time and/or dates as may be agreed between the Company and the Bookrunners, but no later than 10 April 2020).

### **Effect of the Primary Placing**

Upon completion of the Placing, the Primary Placing Shares will represent approximately 16.11% per cent. of the enlarged ordinary share capital of the Company following completion of the Placing (the "Enlarged Share Capital").

### **Selling Shareholders' intentions**

The Company has been advised by Anthony Matchett and Steven Hancock (together the "Selling Shareholders"), that they intend to each sell up to approximately 13,333,333 Ordinary Shares in the Company pursuant to the terms of the Placing.

	Number of Ordinary Shares held as at the date of this Announcement	Maximum number of Secondary Shares to be placed pursuant to the Placing	Expected shareholding in the Company following completion of the Placing
Anthony Matchett	168,482,796	13,333,333	155,149,463
Steven Hancock	130,884,136	13,333,333	117,550,803

The Selling Shareholders have agreed that following completion of the Placing, they will not, without (i) notifying the Company and Arden, and (ii) obtaining Arden's prior written consent, dispose of any of their Ordinary Shares in the Company for a period of 12 months immediately following Admission (subject to certain customary exceptions).

The Appendix sets out further information relating to the Placing and specifically the terms and conditions of the UK Placing.

## APPENDIX - TERMS AND CONDITIONS OF THE UK PLACING

IMPORTANT INFORMATION FOR INVITED UK PLACEEES ONLY REGARDING THE UK PLACING.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT (INCLUDING THIS 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 WHO (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) 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 IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN EVR HOLDINGS 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 UK PLACING SHARES ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN "**OFFSHORE TRANSACTIONS**" WITHIN THE MEANING OF, AND IN ACCORDANCE WITH, REGULATIONS UNDER THE SECURITIES ACT AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS.

THIS ANNOUNCEMENT (INCLUDING THIS 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, 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 the issue or sale of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, the Selling Shareholders, Arden Partners Plc ("**Arden**") 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 Arden to inform themselves about and to observe any such restrictions.

This Announcement or any part of it is for information purposes and 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), Australia, Canada, Japan 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 in the EEA 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) (the "**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 offering in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan 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 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 obligations to forward a copy of this Announcement should seek appropriate advice before taking any action.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notices" section of this Announcement and the Appendix to this Announcement which contains detailed terms and conditions of the Placing (which forms part of this Announcement).

This Announcement (including this appendix) will not constitute an offer or an invitation to apply for or an offer or an invitation to acquire any UK Placing Shares in the United States. Subject to certain exceptions, all persons applying for UK Placing Shares and wishing to hold such UK Placing Shares in registered form must provide an address for registration of the Placing Shares outside the United States.

Any person who applies for UK Placing Shares will be deemed to have declared, warranted and agreed that they are not, and that at the time of application they will not be, in the United States, or acting on a non-discretionary basis for a person located within the United States.

The Company and Arden reserve the right to treat as invalid any application for UK Placing Shares which does not contain a warranty to the effect that the person applying for UK Placing Shares does not have a registered address and is not otherwise located in the United States and is not applying for UK Placing Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of the UK Placing Shares in the United States or where the Company believes application for such UK Placing Shares may infringe applicable legal or regulatory requirements.

By participating in the UK Placing, each UK Placee will be deemed to have read and understood this Announcement in its entirety, to be participating, making an offer and acquiring UK Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in this Appendix.

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

1. it is a Relevant Person;
2. in the case of a Relevant Person in a member state of the EEA which has implemented the Prospectus Directive (each, a "**Relevant Member State**") who acquires any UK Placing Shares pursuant to the UK Placing:
  - 2.1 it is a Qualified Investor within the meaning of Article 2(1)(e) of the Prospectus Directive; and
  - 2.2 in the case of any UK Placing Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive:
    - 2.2.1 the UK Placing Shares acquired by it in the UK 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 Arden has been given to the offer or resale; or
    - 2.2.2 where UK Placing Shares have been acquired by it on behalf of persons in any Relevant Member State other than Qualified Investors, the offer of those UK Placing Shares to it is not treated under the Prospectus Directive as having been made to such persons; and
3. it is acquiring the UK Placing Shares for its own account or is acquiring the UK Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this Announcement; and
4. it is outside the United States acquiring the UK Placing Shares in offshore transactions as defined in and in accordance with Regulation S under the Securities Act.

## No prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require any prospectus or other offering document to be published. No prospectus or other offering document has been or will be submitted to be approved by the FCA in relation to the Placing or the UK Placing Shares and UK Placees' commitments will be made solely on the basis of the information contained in this Announcement and any information publicly announced through a Regulatory Information Service (as defined in the AIM Rules for Companies (the "**AIM Rules**")) 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 to be sent to individual UK Placees.

Each UK Placee, by participating in the UK Placing, agrees that the content of this Announcement is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any information (other than the Publicly Available Information), representation, warranty or statement made by or on behalf of Arden or the Company or any other person and none of Arden, the Company nor any other person acting on such person's behalf nor any of their respective affiliates has or shall have any liability for any UK Placee's decision to participate in the UK Placing based on any other information, representation, warranty or statement. Each UK 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 UK Placing. No UK Placee should consider any information in this Announcement to be legal, tax or business advice. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

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

Each of Arden, Beech Hill Securities, the Company and the Selling Shareholders has today entered into a placing agreement (the "**Placing Agreement**") pursuant to which, on the terms and subject to the conditions set out in the Placing Agreement: (i) each of Arden and Beech Hill Securities, as agent for and on behalf of the Company, has agreed to use its reasonable endeavours to procure Placees for the Primary Placing Shares, including through the use of intermediaries, sub-agents and delegees; and (ii) each of Arden and Beech Hill Securities, as agent for and on behalf of the Selling Shareholders, has agreed to use its reasonable endeavours to procure purchasers for the Secondary Placing Shares, in each case at the Placing Price.

The Primary Placing Shares will, when issued, be subject to the articles of association of the Company and credited as fully paid and will rank *pari passu* in all respects with the existing issued Ordinary Shares of one penny each ("**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 Primary Placing Shares.

As part of the Placing, the Company has agreed that it will not for a period of 90 days after (but including) Admission, directly or indirectly, issue, offer, sell, lend, pledge, contract to sell or issue, grant any option, right or warrant to purchase or otherwise dispose of any Ordinary Shares (or any interest therein or in respect thereof) or other securities of the Company exchangeable for, convertible into or representing the right to receive Ordinary Shares or any substantially similar securities or otherwise enter into any transaction (including derivative transaction) directly or indirectly, permanently or temporarily, to dispose of any Ordinary Shares or undertake any other transaction with the same economic effect as any of the foregoing or announce an offering of Ordinary Shares or any interest therein or to announce publicly any intention to enter into any transaction described above. This agreement is subject to certain customary exceptions and does not prevent the grant or exercise of options under any of the Company's existing share incentives and share option schemes, or following Admission the issue by the Company of any Ordinary Shares upon the exercise of any warrant, right or option or the conversion of a security already in existence.

## Application for Admission

Application has been made to the London Stock Exchange for admission of the Primary Placing Shares to trading on AIM.

It is expected that Admission will take place on or before 8.00 a.m. on 27 March 2020 and that dealings in the Primary Placing Shares on AIM will commence at the same time.

## Principal terms of the UK Placing

1. Arden is acting as bookrunner to the UK Placing, as agent for and on behalf of the Company and the Selling Shareholders.
2. Participation in the UK Placing will only be available to persons who may lawfully be, and are, invited by Arden to participate. Arden and any of its affiliates are entitled to participate in the UK Placing as principal.
3. The price per Placing Share (the "**Placing Price**") is fixed at 3.75 pence and is payable to Arden (as agent for the Company) by all UK Placees.

4. To bid in the Bookbuild, prospective UK Placees should communicate their bid by telephone to their usual sales contact at Arden. Each bid should state the number of UK Placing Shares which the prospective UK Placee wishes to acquire at the Placing Price. Each prospective UK Placee's oral instruction to participate in the UK Placing will be legally binding on the prospective UK Placee on behalf of which it is made and, except with Arden's consent, will not be capable of variation or revocation after the time at which it is submitted. Bids may be scaled down by Arden on the basis referred to in paragraph 6 below.
5. Each prospective UK Placee's allocation will be determined by Arden and confirmed orally by Arden following the close of the Bookbuild, and a trade confirmation will be dispatched as soon as possible thereafter. Arden's oral confirmation to such UK Placee will constitute an irrevocable legally binding commitment upon such person (who will at that point become a UK Placee) in favour of Arden and the Company or the Selling Shareholders (as applicable), under which such UK Placee agrees to acquire the number of UK Placing Shares allocated to it and to pay the relevant Placing Price on the terms and conditions set out in this Appendix and in accordance with the Company's constitution. Except with Arden's consent, such commitment will not be capable of variation or revocation after the time at which it is submitted.
6. Arden may choose to accept bids in the UK Placing, either in whole or in part, on the basis of allocations determined at their discretion (in consultation with the Company) and may scale down any bids for this purpose on such basis as it may determine.
7. Arden may also, subject to the prior consent of the Company (i) allocate UK Placing Shares after the time of any initial allocation to any person submitting a bid after that time and (ii) allocate UK Placing Shares after the Bookbuild has closed to any person submitting a bid after that time. The Company reserves the right (upon agreement with Arden) to reduce or seek to increase the amount to be raised pursuant to the UK Placing, in its absolute discretion.
8. Irrespective of the time at which a UK Placee's allocation(s) pursuant to the UK Placing is/are confirmed, settlement for all UK Placing Shares to be acquired pursuant to the UK Placing will be required to be made at the same time, on the basis explained below under "*Registration and Settlement*".
9. All obligations of Arden under 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*".
10. By participating in the UK Placing, each UK Placee will agree that its rights and obligations in respect of the UK Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the UK Placee.
11. To the fullest extent permissible by law and applicable FCA rules, neither:
  - 11.1 Arden;
  - 11.2 any of its affiliates, agents, directors, officers, consultants or employees; nor
  - 11.3 to the extent not contained within 11.1 or 11.2 any person connected with Arden as defined in the FSMA ((11.2 and 11.3 being together "affiliates" and individually an "affiliate" of Arden), shall have any liability (including to the extent permissible by law, any fiduciary duties) to Placees or to any other person whether acting on behalf of a Placee or otherwise. In particular, neither Arden nor any of its affiliates, shall have any liability (including, to the extent permissible by law, any fiduciary duties) in respect of Arden's conduct of the UK Placing or of such alternative method of effecting the Placing as Arden and the Company may agree.
12. Each UK Placee acknowledges and agrees that the Company is responsible for the allotment of the UK Placing Shares to the UK Placees and Arden shall have no liability to the UK Placees for the failure of the Company to fulfil those obligations.

## **Registration and settlement**

If UK Placees are allocated any UK Placing Shares in the UK Placing they will be sent a contract note or electronic confirmation which will confirm the number of UK Placing Shares allocated to them, the Placing Price and the aggregate amount owed by them to Arden.

Each UK Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed as directed by Arden in accordance with either the standing CREST or certificated settlement instructions which they have in place with Arden or by such other means as Arden deems necessary if such delivery and settlement would not be consistent with regulatory requirements in the jurisdiction in which a UK Placee is located.

Settlement of transactions in the UK Placing Shares (ISIN: GB00BD2YHN21) following Admission will take place within the CREST system, subject to certain exceptions. Settlement through CREST will be on a T+2 basis unless otherwise notified by Arden and is expected to occur on or before 27 March 2020 (the "**Settlement Date**") in accordance with the contract notes. Settlement will be on a delivery versus payment basis. However, in the event of any difficulties or delays in the admission of the UK Placing Shares to CREST or the use of CREST in relation to the UK Placing, the Company and Arden may agree that the Primary Placing Shares should be issued in certificated form. Arden reserves the right to require settlement for the UK Placing Shares, and to deliver the UK Placing Shares to UK Placees, by such other means as it deems necessary if delivery or settlement to UK Placees is not practicable within the CREST system or would not be consistent with regulatory requirements in the jurisdiction in which a UK Placee is located.

Interest is chargeable daily on payments not received from UK 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 Arden.

Each UK Placee is deemed to agree that if it does not comply with these obligations, Arden may sell any or all of their UK Placing Shares on their behalf and retain from the proceeds, for its own account and benefit, an amount equal to the aggregate amount owed by the UK Placee plus any interest due. The relevant UK Placee 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 its UK Placing Shares on its behalf. Legal and/or beneficial title in and to any UK Placing Shares shall not pass to the relevant Placee until such time as it has fully complied with its obligations hereunder.

If UK Placing Shares are to be delivered to a custodian or settlement agent, UK Placees must ensure that, upon receipt, the conditional contract note is copied and delivered immediately to the relevant person within that organisation. Insofar as UK Placing Shares are registered in a UK 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 United Kingdom 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 Arden and Beech Hill Securities under the Placing Agreement are, and the Placing is, conditional upon, *inter alia*:

- (a) the Company and the Selling Shareholders complying with their respective obligations under the Placing Agreement to the extent that they fall to be performed on or before Admission;
- (b) the Company having allotted, subject only to Admission, the Primary Placing Shares in accordance with the Placing Agreement; and
- (c) Admission having become effective at or before 8.00 a.m. on 27 March 2020 or such later time as Arden may agree with the Company being no later than 8.00 a.m. on 10 April 2020),

(together, the "**conditions**").

If any of the conditions set out in the Placing Agreement is not fulfilled or, where permitted, waived in accordance with the Placing Agreement within the stated time periods (or such later time and/or date as the Arden and Beech Hill Securities may agree), or the Placing Agreement is terminated in accordance with its terms, 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.

Arden and Beech Hill Securities may, in their absolute discretion and upon such terms as it thinks fit, waive fulfilment of all or any of the conditions in the Placing Agreement in whole or in part, or extend the time provided for fulfilment of one or more conditions, save that the condition relating to Admission referred to in paragraph (c) above may not be waived. Any such extension or waiver will not affect Placees' commitments as set out in this Appendix.

Arden and Beech Hill Securities may each terminate the Placing Agreement in certain circumstances, details of which are set out below.

Neither Arden nor any of 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 it or Beech Hill Securities 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 it or Beech Hill Securities 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 Arden.

### **Termination of the Placing**

Either Arden or Beech Hill Securities may, after such consultation with the Company and Arden or Beech Hill Securities (as applicable) as the circumstances allow, in its absolute discretion, by notice to the Company and Arden or Beech Hill Securities (as applicable), terminate the Placing Agreement at any time up to Admission if, *inter alia*:

- (a) there has, in the opinion of either Arden or Beech Hill Securities, been a breach of the warranties given to either of them;
- (b) there has, in the opinion of either Arden or Beech Hill Securities, been a material adverse change;
- (c) any statement contained in this Announcement or any other document or announcement issued or published by or on behalf of the Company in connection with the Placing is or has become or has been discovered to be untrue or inaccurate in any respect or misleading in any respect; or
- (d) in the opinion of either Arden or Beech Hill Securities, there has been a force majeure event.

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 can be made by any Placee in respect thereof.

By participating in the Placing, each Placee agrees with Arden and Beech Hill Securities that the exercise by Arden or Beech Hill Securities of any right of termination or any other right or other discretion under the Placing Agreement shall be within the absolute discretion of Arden or Beech Hill Securities for agreement between Arden and Beech Hill Securities (as the case may be) and that neither Arden nor Beech Hill Securities need make any reference to such Placee and that none of the Company, Arden, Beech Hill Securities nor any of their respective affiliates, agents, directors, officers or employees shall have any liability to such Placee (or to any other person whether acting on behalf of a Placee or otherwise) whatsoever in connection with any such exercise.

By participating in the Placing, each UK Placee agrees that its rights and obligations terminate only in the circumstances described above and under the "*Conditions of the Placing*" section above and will not be capable of rescission or termination by it after the relevant UK Placee's oral instruction to participate in the UK Placing.

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

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

- 1. it has read and understood this Announcement in its entirety and that its acquisition of the UK Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with 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 UK Placing and acknowledges that no prospectus or other offering document:
  - 2.1 is required under the Prospectus Directive or other applicable law; and
  - 2.2 has been or will be prepared in connection with the UK Placing;
- 3. the 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 AIM Rules, which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that it is able to

obtain or access such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other publicly traded company, without undue difficulty;

4. it has made its own assessment of the UK Placing Shares and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the UK Placing and neither Arden, the Company (nor any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them) nor any of the Selling Shareholders has provided, and will not provide, it with any material regarding the UK Placing Shares or the Company or any other person other than the information in this Announcement or the Publicly Available Information; nor has it requested Arden, the Company (nor any of their respective affiliates, agents, directors, employees or officers or any person acting on behalf of any of them) or any of the Selling Shareholders to provide it with any such information;
5. neither Arden nor any person acting on behalf of it nor any of its affiliates, agents, directors, officers or employees has or shall have any liability for any 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 only information on which it is entitled to rely on and on which it has relied in committing to acquire the UK Placing Shares is contained in the Announcement and the Publicly Available Information, such information being all that it deems necessary to make an investment decision in respect of the UK Placing Shares and it has made its own assessment of the Company, the UK Placing Shares and the terms of the UK Placing based on the Announcement and the Publicly Available Information;
7. neither Arden, the Company (nor any of their respective affiliates, agents, directors, officers and employees) nor any of the Selling Shareholders have made any representation or warranty to it, express or implied, with respect to the Company, the UK Placing or the UK Placing Shares or the accuracy, completeness or adequacy of the Publicly Available Information and the information contained in this Announcement;
8. it has conducted its own investigation of the Company, the UK Placing and the UK 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 UK Placing;
9. it has not relied on any investigation that Arden or any person acting on its behalf may have conducted with respect to the Company, the UK Placing or the UK Placing Shares;
10. 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 Arden nor any persons acting on its behalf or any of its affiliates, agents, directors, officers or employees is responsible for or has or shall have any liability for any information, representation, warranty or statement relating to the Company contained in this Announcement or the Publicly Available Information nor will they be liable for any UK Placée's decision to participate in the UK Placing based on any information, representation, warranty or statement contained in this Announcement, the Publicly Available Information or otherwise. Nothing in this Appendix shall exclude any liability of any person for fraudulent misrepresentation;
11. it is not, and at the time the UK Placing Shares are acquired will not be, a resident of Australia, Canada, the Republic of South Africa or Japan;
12. the UK 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, Australia, Canada, the Republic of South Africa or Japan and may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, Australia, Canada, Japan or the Republic of South Africa or in any country or jurisdiction where any such action for that purpose is required;
13. it and/or each person on whose behalf it is participating:
  - 13.1 is entitled to acquire UK Placing Shares pursuant to the UK Placing under the laws and regulations of all relevant jurisdictions;
  - 13.2 has fully observed such laws and regulations;
  - 13.3 has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of UK Placing Shares and will honour such obligations; and
  - 13.4 has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a UK Placée, all necessary consents and authorities to agree to the terms set out or referred to in this Appendix) under those laws or otherwise and complied with all necessary formalities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto and, in particular, if it is a pension fund or investment company it is aware of and acknowledges it is required to comply with all applicable laws and regulations with respect to its acquisition of UK Placing Shares;

14. it is not, and any person who it is acting on behalf of is not, and at the time the UK Placing Shares are acquired will not be, a resident of, or with an address in, or subject to the laws of, Australia, Canada, Japan or the Republic of South Africa, and it acknowledges and agrees that the UK Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of Australia, Canada, Japan or the Republic of South Africa and may not be offered, sold, or acquired, directly or indirectly, within those jurisdictions;
15. it and/or each person on whose behalf it is participating:
  - 15.1.1 is not a person located in the United States and will acquire the UK Placing Shares in an "offshore transaction", as defined in Regulation S, conducted in accordance with Regulation S; and
  - 15.1.2 it is not acting on a non-discretionary basis for the account or benefit of a person located within the United States at the time the undertaking to subscribe for UK Placing Shares was given;
16. neither it, nor any of its affiliates, nor any person acting on its or their own behalf, are taking up the UK Placing Shares as a result of any "directed selling efforts" as defined in Regulation S under the Securities Act in the United States;
17. it understands that the UK Placing Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or resold in or into or from the United States except pursuant to an effective registration under the Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with applicable state securities laws; and no representation is being made as to the availability of any exemption under the Securities Act for the reoffer, resale, pledge or transfer of the UK Placing Shares;
18. it is acquiring the UK Placing Shares for investment purposes and is not acquiring the UK Placing Shares with a view to, or for offer or sale in connection with, any distribution thereof (within the meaning of the Securities Act) that would be in violation of the securities laws of the United States or any state thereof;
19. 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 UK 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;
20. it acknowledges and agrees that the good faith exercise or non-exercise by Arden of any right of termination under the Placing Agreement shall be at the absolute discretion of Arden, with no requirement to reference or consult with it and Arden shall have no liability to it in connection with the good faith exercise or non-exercise of such termination right;
21. none of Arden, its affiliates and any person acting on behalf of any of them is making any recommendations to it or advising it regarding the suitability of any transactions it may enter into in connection with the UK Placing and that participation in the UK Placing is on the basis that it is not and will not be a client of Arden and that Arden has no duties or responsibilities to it for providing the protections afforded to its clients 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;
22. it has the funds available to pay for the UK Placing Shares and will make payment to Arden for the total subscription amount for the UK 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 UK Placing Shares may be placed with others on such terms as Arden determines in its absolute discretion without liability to the UK Placee and it will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such UK 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 UK Placee's UK Placing Shares on its behalf;
23. no action has been or will be taken by any of the Company, Arden or any person acting on behalf of the Company or Arden that would, or is intended to, permit a public offer of the UK Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;
24. the person who it specifies for registration as holder of the UK Placing Shares will be:
  - 24.1 the UK Placee; or
  - 24.2 a nominee of the UK Placee, as the case may be,

and Arden 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. Each UK Placee and any person acting on behalf of such UK Placee agrees to acquire UK Placing Shares pursuant to the UK Placing and agrees to indemnify the Company and Arden in respect of the same on the basis that the UK Placing Shares will be allotted or transferred to a CREST stock account of Arden

or transferred to a CREST stock account of Arden who will hold them as nominee on behalf of the UK Placée until settlement in accordance with its standing settlement instructions with it;

25. it is acting as principal only in respect of the UK Placing, or if it is acting for another person, (a) it is duly authorised to do so and has full power to make the acknowledgements, representations and agreements herein on behalf of such person and (b) it is and will remain liable to the Company and Arden for the performance of all its obligations as a UK Placée in respect of the UK Placing (regardless of the fact that it is acting for another person);
26. the sale, allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of UK 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 UK Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of UK Placing Shares would give rise to such a liability;
27. it and any person acting on its behalf (if within the United Kingdom) (a) is a person who has professional experience in matters relating to investments falling within Article 19(5) and/or is (b) a person falling within Article 49(2)(a) to (d) of the Order and undertakes that it will acquire, hold, manage and (if applicable) dispose of any UK Placing Shares that are allocated to it for the purposes of its business only;
28. it has not offered or sold and will not offer or sell any UK Placing Shares to persons in the United Kingdom or elsewhere in the EEA prior to the expiry of a period of six months from 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 the FSMA or an offer to the public in any other member state of the EEA within the meaning of the Prospectus Directive;
29. if it is within the EEA, it is a Qualified Investor as defined in section 86(7) of the FSMA, being a person falling within Article 2(1)(e) of the Prospectus Directive;
30. 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 the FSMA) relating to UK Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person and it acknowledges and agrees that this Announcement has not been approved by Arden in its capacity as an authorised person under section 21 of the FSMA and it may not therefore be subject to the controls which would apply if it was made or approved as financial promotion by an authorised person;
31. 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 UK Placing Shares (including all relevant provisions of the FSMA in respect of anything done in, from or otherwise involving the United Kingdom);
32. 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 UK Placing Shares acquired by it in the UK 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 Arden has been given to the offer or resale;
33. acknowledges and accepts that Arden may, in accordance with applicable legal and regulatory provisions, engage in transactions in relation to the UK 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, Arden will not make any public disclosure in relation to such transactions;
34. Arden and its affiliates, acting as an investor for its or their own account(s), may bid or subscribe for and/or purchase UK Placing Shares and, in that capacity, may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the UK Placing Shares, any other securities of the Company or other related investments in connection with the UK Placing or otherwise. Accordingly, references in this Announcement to the UK Placing Shares being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by, Arden and/or any of its affiliates acting as an investor for its or their own account(s). Neither Arden nor the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;
35. it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (together, the "**Regulations**") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;
36. it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993 and the Market Abuse Regulation (596/2014) ("**MAR**") and confirms that it has and will continue to comply with those obligations;



37. in order to ensure compliance with the Regulations, Arden (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity, location or legal status. Pending the provision to Arden or the Company's registrars, as applicable, of evidence of identity, location or legal status, definitive certificates in respect of the UK Placing Shares may be retained at Arden's absolute discretion or, where appropriate, delivery of the UK Placing Shares to it in uncertificated form may be delayed at Arden's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identity, location or legal status Arden (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, either Arden and/or the Company may, at its absolute discretion, terminate its commitment in respect of the UK Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;
38. except as set out in paragraph 39 below, 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 UK Placing and is not purchasing UK Placing Shares on the basis of material non-public information;
39. 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;
40. it acknowledges that its commitment to acquire UK Placing Shares on the terms set out in this Announcement and in the contract note will continue notwithstanding any amendment that may in future be made to the terms and conditions of the UK Placing and that UK Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or Arden's conduct of the UK Placing;
41. it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of acquiring the UK 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 UK 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 UK Placing, including the merits and risks involved;
42. it irrevocably appoints any duly authorised officer of Arden as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the UK Placing Shares for which it agrees to acquire upon the terms of this Announcement;
43. the Company, Arden and others (including each of their respective affiliates, agents, directors, officers and employees) will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements, which are given to Arden on its own behalf and on behalf of the Company and the Selling Shareholders and are irrevocable;
44. it was not formed for the purpose of investing in the Company and is acquiring the UK Placing Shares for its own account or for the account of one or more persons on whose behalf it is authorized to make the foregoing acknowledgments, representations and warranties, and enter into the foregoing agreements.
45. neither it nor, as the case may be, its clients expect Arden to have any duties or responsibilities to such persons similar or comparable to the duties of "best execution" and "suitability" imposed by the FCA's Conduct of Business Source Book, and that Arden is not acting for them or their clients, and that Arden will not be responsible for providing the protections afforded to customers of Arden or for providing advice in respect of the transactions described herein;
46. that it is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook and it is purchasing Placing Shares for investment only and not with a view to resale or distribution;
47. that it will (or will procure that its nominee will) if applicable, make notification to the Company of the interest in its ordinary shares in accordance with the Disclosure Guidance and Transparency Rules published by the FCA;
48. it undertakes to Stifel or N+1 Singer (as applicable) at the time of making its commitment to subscribe for Placing Shares that it will confirm in writing to Stifel or N+1 Singer in the form of confirmation sent by Stifel or N+1 Singer to Placees the number of Placing Shares that it intends to subscribe for;
49. that, as far as it is aware it is not acting in concert (within the meaning given in the City Code) with any other person in relation to the Company;

50. that it is responsible for obtaining any legal, tax and other advice that it deems necessary for the execution, delivery and performance of its obligations in accepting the terms and conditions of the Placing, and that it is not relying on the Company or Arden to provide any legal, tax or other advice to it;
51. time is of the essence as regards its obligations under this Appendix;
52. any document that is to be sent to it in connection with the UK Placing will be sent at its risk and may be sent to it at any address provided by it to Arden;
53. the UK Placing Shares will be issued or sold (as applicable) subject to the terms and conditions of this Appendix; and
54. the terms and conditions contained in this Appendix and all documents into which this Appendix is incorporated by reference or otherwise validly forms a part and/or any agreements entered into pursuant to these terms and conditions and all agreements to acquire UK Placing Shares pursuant to the UK Placing will be governed by and construed in accordance with English law and it submits to the exclusive jurisdiction of the English courts in relation to any claim, dispute or matter arising out of such contract except that enforcement proceedings in respect of the obligation to make payment for the UK Placing Shares (together with interest chargeable thereon) may be taken by the Company or Arden in any jurisdiction in which the relevant UK Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

By participating in the UK Placing, each UK Placee (and any person acting on such UK Placee's behalf) agrees to indemnify and hold the Company, Arden and each of their respective affiliates, agents, directors, officers and employees harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings given by the UK Placee (and any person acting on such UK Placee's behalf) in this Appendix or incurred by Arden, the Company or each of their respective affiliates, agents, directors, officers or employees arising from the performance of the UK Placee's obligations as set out in this Announcement, and further agrees that the provisions of this Appendix shall survive after the completion of the UK Placing.

The agreement to allot and issue UK Placing Shares to UK Placees (or the persons for whom UK Placees are contracting as agent) free of stamp duty and stamp duty reserve tax in the United Kingdom relates only to their allotment and issue to UK Placees, or such persons as they nominate as their agents, direct by the Company. Such agreement assumes that the UK Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to transfer the UK Placing Shares into a clearance service. If there are any such arrangements, or the settlement related to any other dealings in the UK Placing Shares, stamp duty or stamp duty reserve tax may be payable. In that event, the UK Placee agrees that it shall be responsible for such stamp duty or stamp duty reserve tax and neither the Company nor Arden shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each UK Placee should seek its own advice and they should notify Arden accordingly. In addition, UK Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the acquisition by them of any UK Placing Shares or the agreement by them to acquire any UK Placing Shares and each UK Placee, or the UK 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 UK Placing Shares has given rise to such non-United Kingdom stamp, registration, documentary, transfer or similar taxes or duties undertakes to pay such taxes and duties, including any interest and penalties (if applicable), forthwith and to indemnify on an after-tax basis and to hold harmless the Company and Arden in the event that either the Company and/or Arden have incurred any such liability to such taxes or duties.

The representations, warranties, acknowledgements and undertakings contained in this Appendix are given to Arden for itself and on behalf of the Company and the Selling Shareholders and are irrevocable and shall not be capable of termination in any circumstances.

Arden, which is regulated in the United Kingdom by the FCA, is acting exclusively for the Company in connection with the UK Placing and will not be acting for any other person (including any Placees) and will not be responsible to any person other than the Company for providing the protections afforded to clients of Arden or for advising any other person in respect of the matters referred to in this Announcement. No representation or warranty, express or implied, is made by Arden as to the accuracy, completeness or fairness of the contents of this Announcement.

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

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

The rights and remedies of Arden and the Company under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

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

All times and dates in this Announcement may be subject to amendment. Placees will be notified of any changes.

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.

## **DEFINITIONS**

**"CREST"** means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the CREST Regulations)

**"Directors"** means the directors of the Company as at the date of this announcement

**"Placees"** means the UK Placees and the US Placees

**"Placing"** means the UK Placing and the US Placing

**"Placing Shares"** means the UK Placing Shares and the US Placing Shares

**"UK Placees"** means placees procured by Arden under the UK Placing

**"UK Placing"** means the proposed placing of the Primary Placing Shares and the Secondary Placing Shares by Arden

**"UK Placing Shares"** means the Primary Placing Shares and the Secondary Placing Shares placed with UK Placees

**"US Placees"** means placees procured by Beech Hill Securities under the US Placing

**"US Placing"** means the proposed placing of the Primary Placing Shares and the Secondary Placing Shares by Beech Hill Securities

**"US Placing Shares"** means the Primary Placing Shares and the Secondary Placing Shares placed with US Placees