

THIS ANNOUNCEMENT (INCLUDING THE APPENDIX) AND THE INFORMATION CONTAINED WITHIN IT (TOGETHER, THIS "ANNOUNCEMENT") IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN, INTO OR FROM THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA, COLLECTIVELY THE "UNITED STATES") OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE PROHIBITED BY LAW. PLEASE SEE THE IMPORTANT NOTICES AT THE END OF THIS ANNOUNCEMENT.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF REGULATION 2014/596/EU AS IT FORMS PART OF THE LAW OF ENGLAND AND WALES BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("UK MAR"). IN ADDITION, MARKET SOUNDINGS WERE TAKEN IN RESPECT OF THE MATTERS CONTAINED IN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF SUCH INSIDE INFORMATION, AS PERMITTED BY UK MAR. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN AND SUCH PERSONS SHALL THEREFORE CEASE TO BE IN POSSESSION OF INSIDE INFORMATION.

FURTHER, THIS ANNOUNCEMENT DOES NOT CONSTITUTE OR FORM OR CONTAIN ANY INVITATION, SOLICITATION, RECOMMENDATION, OFFER OR ADVICE TO ANY PERSON TO PURCHASE AND/OR SUBSCRIBE FOR, OTHERWISE ACQUIRE OR DISPOSE OF ANY SECURITIES IN SRT MARINE SYSTEMS PLC OR ANY OTHER ENTITY IN THE UNITED STATES OR ANY OTHER JURISDICTION. NEITHER THIS ANNOUNCEMENT NOR THE FACT OF ITS DISTRIBUTION, SHALL FORM THE BASIS OF, OR BE RELIED UPON IN CONNECTION WITH, ANY INVESTMENT DECISION IN RESPECT OF SRT MARINE SYSTEMS PLC.

For immediate release

23 June 2023

## **SRT Marine Systems plc**

### **Proposed Fundraising to raise up to £3.95 million**

#### **Introduction**

SRT Marine Systems plc (AIM: SRT), a global provider of integrated maritime surveillance systems and digital navigation safety transceivers ("**SRT**" or the "**Company**"), today announces a proposed Fundraising of up to £3.95 million through the issue of up to 7,900,000 New Ordinary Shares at 50 pence per New Ordinary Share (the "**Issue Price**").

The Fundraising will include a placing of a minimum of 6,400,000 Placing Shares to institutional and other investors at the Issue Price to raise a minimum of approximately £3.20 million (before expenses) (the "**Placing**").

The Company also intends to carry out a separate Retail Offer of up to 1,500,000 Retail Shares at the Issue Price on the Primary Bid platform to raise up to a further £0.75 million (before expenses), which is intended to provide Retail Investors in the United Kingdom with an opportunity to participate in the Company's fundraising plans. A separate announcement will be made by the Company in due course containing details of how investors can participate in the Retail Offer. For the avoidance of doubt, the Retail Offer is not part of the Placing.

finnCap is acting as sole bookrunner and sole broker in connection with the Placing. finnCap is also acting as Nominated Adviser to the Company in connection with Admission.

#### **Use of Proceeds**

It is anticipated that the Fundraising will result in the Company raising total gross proceeds of up to £3.95 million.

The Company intends to use the net proceeds of the Fundraising to facilitate accelerated growth through provision of working capital for the Company's systems and transceivers divisions.

**Summary of the Fundraising:**

- The New Ordinary Shares will be issued on a non pre-emptive basis utilising the Company's existing Shareholder authorities which were granted at the 2022 AGM.
- The Placing is expected to raise minimum gross proceeds of approximately £3.20 million through the issue of 6,400,000 Placing Shares at the Issue Price.
- The Retail Offer is expected to raise gross proceeds of up to £0.75 million through the issue of up to 1,500,000 Retail Shares at the Issue Price.
- The Issue Price represents a discount of approximately 13.79 per cent. to the closing mid-market price of an Ordinary Share of 58 pence on 22 June 2023 (being the Latest Practicable Date).
- The Placing Shares will be placed by finnCap with institutional and other investors (the "**Placees**"). The Placing will be conducted in accordance with, and will be subject to, the terms and conditions set out in the Appendix to this Announcement through an accelerated bookbuild process (the "**Bookbuild**") which will be launched immediately following release of this Announcement. The Appendix forms part of this Announcement.
- Neither the Placing nor the Retail Offer is being underwritten.
- The final number of Placing Shares to be issued will be agreed by finnCap and the Company at the close of the Bookbuild, and the result of the Placing will be announced as soon as practicable thereafter. The timing for the close of the Bookbuild and the allocation of the Placing Shares shall be determined together by finnCap and the Company.
- The New Ordinary Shares, assuming full take up of the Placing and the Retail Offer, would represent approximately 4.35 per cent. of the Existing Ordinary Shares and approximately 4.17 per cent. of the Enlarged Share Capital.
- Applications will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM on 30 June 2023 ("**Admission**").
- The Company has today published its investor presentation on its website which includes further details of the Company's market and sales pipeline. Shareholders are invited to read the presentation which can be viewed here: <https://srt-marine.com/reports-and-presentations/>

**Simon Tucker, CEO of SRT commented:**

*"In the last few years, SRT has transformed its prospects as demonstrated by a 265% increase in revenues to £30 million last year, a current forward contract order book of £160 million, and a pipeline of new system contract prospects which has grown to £1.4 billion from which we have also recently announced a further award notification. This fund raise is timed to support this acceleration of our business."*

**Enquiries:**

**SRT Marine Systems plc**

www.srt-marine.com  
+44 (0) 20 7036 1400

Simon Tucker (CEO)

simon.tucker@srt-marine.com

Louise Coates (Marketing Manager)

louise.coates@srt-marine.com

**finnCap Ltd (Nominated Adviser & Broker)**

+44 (0) 20 7220 0500

Jonny Franklin-Adams / Teddy Whiley (Corporate Finance)

Tim Redfern / Charlotte Sutcliffe (ECM)

#### **About SRT Marine Systems plc:**

SRT is a global leader in maritime surveillance, environment monitoring and navigation safety systems and technologies. Our customers include national security and safety agencies such as Coast Guards and national fishery agencies as well as individual vessel owners. Our products and systems provide customers with enhanced maritime domain awareness in order to solve problems that include maritime and border security, illegal fishing, marine environment protection and navigation safety.

#### **IMPORTANT NOTICE**

This Announcement has been issued by and is the sole responsibility of the Company.

The information contained in this Announcement is not for release, publication or distribution, nor may it be copied, forwarded or transmitted, directly or indirectly, in whole or in part, in, into or from the United States or any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction. The distribution of this Announcement in any other jurisdiction may be restricted by law and persons into whose possession this Announcement comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the laws of the United States or any other such jurisdiction.

This Announcement is an advertisement and does not constitute a prospectus relating to the Company and does not constitute, or form part of any offer or invitation to sell or issue or an invitation to purchase investments of any description, or any solicitation of any offer to buy, acquire or subscribe for shares in the capital of the Company in any jurisdiction nor shall it, or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with or act as any inducement to enter into, any contract therefor. This Announcement does not constitute a recommendation regarding any securities.

The New Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933, as amended ("**Securities Act**") and may not be offered, sold, subscribed, taken up, delivered to U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")), or transferred, directly or indirectly, in the United States absent registration under the Securities Act or an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the securities laws of any other jurisdiction of the United States. No public offering of the shares referred to in this Announcement is being made in the United States, United Kingdom, Australia, Canada, New Zealand, Japan, Republic of South Africa or elsewhere.

No prospectus will be made available in connection with the matters contained in this Announcement and no such prospectus is required to be published.

This Announcement is directed only at: (a) if in a member state of the European Economic Area (the “**EEA**”), ‘qualified investors’ as defined in Article 2(e) of Regulation (EU) 2017/1129, as amended from time to time (the “**EU Prospectus Regulation**”); (b) if in the United Kingdom, ‘qualified investors’ as defined in Article 2(e) of the EU Prospectus Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”) and who (i) have professional experience in matters relating to investments who fall within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the “**Order**”) or (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Order, or (c) persons to whom it may otherwise be lawfully communicated (all such persons in (a), (b) and (c) together being referred to as “**relevant persons**”).

This Announcement 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 the sale or subscription of any securities in the Company.

This announcement is not being distributed by, nor has it been approved for the purposes of section 21 of the Financial Services and Markets Act 2000 (“**FSMA**”) by, a person authorised under FSMA. This announcement is being distributed and communicated to persons in the UK only in circumstances in which section 21(1) of FSMA does not apply.

finnCap Ltd (“**finnCap**”), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting as Nominated Adviser, broker and sole bookrunner to the Company in connection with the Placing and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to clients of finnCap nor for providing advice in relation to the Placing and/or any other matter referred to in this Announcement. Apart from the responsibilities and liabilities, if any, which may be imposed on finnCap by the FSMA or by the regulatory regime established under it, and except in the event of their committing fraud, neither finnCap nor any of its respective affiliates accepts any responsibility whatsoever for the accuracy, completeness or sufficiency of the information contained in this Announcement or for any other statement made or purported to be made by or on behalf of finnCap or any of its respective affiliates in connection with the Company, the New Ordinary Shares or the Placing. finnCap and each of its respective affiliates accordingly disclaim all and any liability, whether arising in tort, contract or otherwise (save as referred to above) in respect of any statements or other information contained in this Announcement.

The distribution of this Announcement and the offering of the New Ordinary Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or finnCap that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and finnCap to inform themselves about, and to observe, such restrictions.

This Announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company’s current expectations and projections about future events. These statements, which sometimes use words such as “aim”, “anticipate”, “believe”, “intend”, “plan” “estimate”, “expect” and words of similar meaning, reflect the directors’ beliefs and expectations and involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. Statements contained in this Announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this Announcement is subject to change without notice and, except as required by applicable law or regulation, neither the Company nor finnCap nor their respective affiliates assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained herein. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Announcement.

No statement in this Announcement is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company. The price of shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of the shares.

The New Ordinary Shares to be issued pursuant to the Fundraising will not be admitted to trading on any stock exchange other than the AIM market of 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.

This Announcement does not constitute a recommendation concerning any investor's options with respect to the Fundraising. Any investment decision to acquire New Ordinary Shares in the Fundraising must be made solely on the basis of publicly available information, which has not been independently verified by finnCap. Each investor or prospective investor should conduct his, her or its own investigation, analysis and evaluation of the business and data described in this Announcement. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The contents of this Announcement are not to be construed as legal, business, financial or tax advice. Each investor or prospective investor should consult his, her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

#### **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 it forms part of the law of England and Wales by virtue of the European Union (Withdrawal) Act 2018 and as amended by or under domestic law ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II, as it forms part of the law of England and Wales by virtue of the European Union (Withdrawal) Act 2018 and as amended by or under domestic law; and (c) local implementing measures, including but not limited to the product governance requirements contained within the FCA Handbook (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 such securities 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 (as defined within the MiFID II Product Governance Requirements) should note that: the price of the securities may decline and investors could lose all or part of their investment; the securities offer no guaranteed income and no capital protection; and an investment in the securities 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, finnCap will only procure investors who meet the criteria of professional clients and eligible counterparties.**

**For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the securities.**

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



**Additional information  
on  
the Fundraising**

**1. Introduction**

The Company is proposing to raise approximately £3.95 million (before expenses) by way of the Placing and the Retail Offer by issuing up to (in aggregate) 7,900,000 New Ordinary Shares at the Issue Price.

The Issue Price represents a discount of approximately 13.79 per cent. to the closing mid-market price of an Ordinary Share of 58 pence on 22 June 2023 (being the Latest Practicable Date).

The Fundraising will comprise a minimum of 6,400,000 Placing Shares and up to 1,500,000 Retail Shares which will be issued on a non pre-emptive basis utilising the Company's existing shareholder authorities which were granted at the 2022 AGM and will be conditional upon, amongst other things, Admission becoming effective.

Further details about the background to and reasons for the Fundraising are set out below. Further details of the Terms and Conditions of the Placing are set out in the Appendix to this Announcement.

**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.**

**2. Background to and Reasons for the Placing**

As noted in the Company's half yearly report for the six months ended 30 September 2022 and its trading update in March 2023, both of the Company's business divisions, being systems and transceivers, have been performing well with significant year on year revenue increases. We anticipate that the Company will continue to grow strongly driven by existing contracts and the fundamental long-term demand drivers for maritime awareness.

The Company expects most customers to be a source of long-term business for the future through multiple follow-on contracts. This revenue model can be seen in practice in the Company's systems business, which provides integrated maritime surveillance and monitoring systems for coast guards and fisheries and has a contract structure which sees for revenue delivery to typically be realised over a 2-3 year implementation period. This is initiated through a keystone contract, which establishes the fundamental operating system upon which the rest of the system integrates. The next step is then for the customer to use the product and to naturally acquire new systems capacity. In practice, as the customer uses the new system they will then typically need to add additional users, sensor systems or data to enhance and to maximise the effectiveness of the solution.

The systems business has recently been focused on the delivery of two major projects, one in the Philippines with the National Fisheries Ministry (BFAR) and one in the Middle East with a National Coast Guard. As evidenced on 18 May 2023 in the Company's announcement of its \$180.0 million contract to supply an integrated maritime surveillance and intelligence system to a national Coast Guard, tangible progress is being made in converting the Company's existing pipeline of transactions through to execution, and into revenue, as forecasted. These significant new system contracts have initial working capital requirements during the first few months to fund equipment purchases prior to first deliveries and subsequent receipt of customer payments. With this in mind, alongside other sources of finance such as bank and supplier project credit, one of the major uses of funds from this Fundraising is for the working capital to support the initial stages of these major contracts noted above.

In addition to the Company's systems business, the Directors also believe there are significant opportunities for growth in the transceivers business. This division is particularly robust and delivered c.60% year on year revenue growth in FY23. This growth has been driven by the expansion of the Company's dealer base, the general market and an increase in pricing. The anticipated launch of the Company's recently developed marine communications product NEXUS in late FY24 is expected to create a new and potentially significant repeatable revenue expansion from FY25 onwards. The Company is also actively expanding into North

America, supported by the recently announced new distributor, CWR, a major East-Coast wholesale distributor (announced on 3 April 2023).

Each new system project signed by the Company requires initial purchases of equipment, and thus working capital, in order to commence deliveries to customers and commence receipts of payments. This is typically 5% of the contract value for a period of 3 to 6 months depending on the specific project whereupon the projects become cash positive. The Company has two primary routes to cover this specific short term project financing requirement, which includes its secured loan note programme, arranged and managed by LGB Capital Markets, under which it has recently agreed an increase in capacity to provide an additional £20 million of headroom, and the UKEF supported General Export Facility which provides guarantees to help UK exporters bridge short term trade finance requirements.

### **Current Trading and Operational Update**

SRT has been notified by an existing coastguard customer that it is proceeding with the next phase of its development of its maritime surveillance system. The Company has been informed that the contract is now being processed by the government's procurement system and is expected to be entered into within the next few months. The value of the upgrade to the existing SRT system is expected to be in the region of \$10.0 million and will be implemented in the 12 months following the contract signing. The revenue from this contract was previously expected to be recognised in FY25, but depending on when certain milestones are met, some of this revenue may now be recognised earlier than expected in FY24. On top of this, the customer has also indicated that they will buy up to a further \$10.0 million transceivers from the Company over the next five years.

Within the Company's validated pipeline of new system contract prospects there are now 4 sizeable projects with a total worth of approximately £360 million which are considered to be at a mature stage of the sales cycle, including £260 million follow on projects from existing customers. The Company continues to actively engage with these customers and is optimistic that these will start to fall under contract in the coming months. Whilst SRT is confident, there are certain statutory procurement processes each customer must follow and as is the nature of government procurement processes, the timescale is not guaranteed.

The Company is optimistic in its ability to retain customers once they have committed to using an SRT solution, and that each customer has the potential for repeat and recurring revenues from the sale of hardware, software, data and services. For example, SRT's systems business is built on internally developed SRT-MDA System product which is a sophisticated fusion of hardware and software that enables a fully integrated high performance surveillance system. At the heart of the system is the Company's GeoVS suite of software, that provides users with a multitude of sophisticated maritime surveillance and monitoring functionality.

### **3. Use of Proceeds**

The proceeds of up to £3.95 million raised via the Placing and Retail Offer is expected to fund working capital requirements within the business alongside other sources of capital available to the Company to enable the growth of both the systems and transceivers businesses.

### **4. Details of the Fundraising**

#### ***Placing***

The Company proposes to raise, in aggregate, approximately £3.20 million (before expenses) through the Placing.



The Placing Shares will, when issued, be credited as fully paid and rank *pari passu* with the Existing Ordinary Shares, including the right to receive all future dividends and distributions declared, made or paid after the date of issue. The Placing is not being underwritten.

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

- i. the Placing Agreement becoming unconditional in all respects (save for Admission) and not having been terminated in accordance with its terms prior to Admission; and
- ii. Admission becoming effective by not later than 8.00 a.m. on 30 June 2023 or such later date (being not later than 8.00 a.m. on 30 July 2023) as the Company and finnCap may agree.

It is expected that, subject to these conditions, the Placing Shares will be admitted to trading on AIM on 30 June 2023.

### **Placing Agreement**

Pursuant to the terms of the Placing Agreement, finnCap, as agent for the Company, has agreed to use its reasonable endeavours to procure placees for the Placing Shares at the Issue Price by way of the Bookbuild. Placees will apply to subscribe for the Placing Shares allocated pursuant to the Placing on the basis of the Terms and Conditions of the Placing set out in the Appendix to this Announcement. Persons who have chosen to participate in the Placing, by making an oral, electronic or written offer to acquire Placing Shares, will be deemed to have read and understood this Announcement in its entirety (including the Appendix) and to be making such offer on the terms and subject to the conditions herein, and to be providing the representations, warranties, agreements, acknowledgments and undertakings contained in the Appendix.

The Placing Agreement contains warranties from the Company in favour of finnCap in relation to, *inter alia*, the accuracy of the information contained in the documents relating to the Placing and certain other matters relating to the Company and its business. In addition, the Company has agreed to indemnify finnCap in relation to certain liabilities that it may incur in respect of the Placing.

finnCap may terminate the Placing Agreement in certain circumstances (including for breach of warranty at any time prior to Admission, if such breach is reasonably considered by finnCap to be material in the context of the Placing) and in the event of a force majeure event or material adverse change occurring at any time prior to Admission.

finnCap will commence the Bookbuild immediately following publication of this Announcement. The number of Placing Shares to be issued will be determined at the close of the Bookbuild. The timing of the closing of the Bookbuild and allocations are at the absolute discretion of finnCap and the Company. Details of the number of Placing Shares will be announced as soon as practicable after the close of the Bookbuild. The Placing is not being underwritten nor is any part of the Placing subject to clawback from the Retail Offer.

The Placing Shares, in aggregate, represent approximately 3.53 per cent. of the Existing Ordinary Shares.

### **Retail Offer**

In addition, the Company intends to use the PrimaryBid platform to conduct an offer for subscription of up to 1,500,000 Retail Shares, on the terms to be set out in a separate announcement to be made following the issue of this Announcement. The Retail Offer may not be fully subscribed.

## **5. Admission**

An application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to

trading on AIM.

It is expected that Admission will take place on or before 8.00 a.m. on 30 June 2023 and that dealings in the New Ordinary Shares on AIM will commence at the same time.

The New Ordinary Shares, when issued, will be credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares at the time of issue, including the right to receive all dividends and other distributions declared, made or paid in respect of such New Ordinary Shares after the date of issue. If all of the New Ordinary Shares are issued, it will represent an increase of approximately 4.35 per cent. of the Existing Ordinary Shares as at the date of this Announcement, and approximately 4.17 per cent. of the Enlarged Share Capital.

## 6. Director participation

Simon Tucker, a Director, has indicated his intention to invest £0.05 million in aggregate for up to 100,000 New Ordinary Shares. Their confirmed participation in the Fundraising will be announced following the closing of the Bookbuild.

## 7. Related Party Transaction

Director	Position	Current Number of Ordinary Shares	Current % Holding	Participation in the Placing	Resultant holding % *
Simon Tucker	Chief Executive Officer	2,974,766	1.64%	100,000	1.62%

*\*Assuming full take up in the Retail Offer*

Simon Tucker is a related party of the Company for the purposes of the AIM Rules by virtue of his status as a Director. The Directors (other than Simon Tucker), being the independent Directors for this purpose, consider, having consulted with the Company's Nominated Adviser, finnCap, that the terms of Simon Tucker's participation in the Placing is fair and reasonable insofar as Shareholders are concerned.

## 8. Effect of the Fundraising

Following Admission and assuming full take up of the Placing and the Retail Offer, the Enlarged Share Capital is expected to be 189,424,939 Ordinary Shares. On that basis, the New Ordinary Shares will represent approximately 4.17 per cent. of the Enlarged Share Capital.

Following the issue of the New Ordinary Shares pursuant to the Placing (assuming full take up of the Placing and the Retail Offer), Shareholders who do not subscribe for any New Ordinary Shares pursuant to the Fundraising will suffer a dilution of approximately 4.35 per cent. to their interest in the Company.

## 9. Expected Timetable of Principal Events

	2023
--	------

Announce Launch of the Placing	23 June
Announce Launch of the Retail Offer	23 June
Announce Close of the Placing	23 June
Announce Close of Retail Offer	26 June
Commencement of dealings in the New Ordinary Shares on AIM	08:00 a.m. 30 June
New Ordinary Shares in uncertificated form expected to be credited to accounts in CREST (uncertificated holders only)	30 June
Expected date of despatch of definitive share certificates for the New Ordinary Shares in certificated form (certificated holders only)	Within 10 business days of Admission
<b>Other relevant dates</b>	
Preliminary Results Announcement	27 July
Annual Report expected to be posted to Shareholders	18 August

Notes:

1. Each of the times and dates in the above timetable is subject to change at the absolute discretion of the Company (with the agreement of finnCap). If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by way of an announcement through a Regulatory Information Service.
2. References to time in this document are to London time.

## DEFINITIONS

*The following definitions apply throughout this Announcement unless the context otherwise requires:*

<b>"2022 AGM"</b>	the last annual general meeting of the Company held on 21 September 2022
<b>"Admission"</b>	the admission to trading on AIM of the Placing Shares and Retail Shares becoming effective in accordance with Rule 6 of the AIM Rules and references to Admission becoming <b>"effective"</b> shall be construed accordingly
<b>"AIM"</b>	the market of that name operated by London Stock Exchange
<b>"AIM Rules"</b>	the AIM Rules for Companies, published by London Stock Exchange
<b>"Bookbuild"</b>	the accelerated bookbuilding process which will be launched immediately following release of this Announcement
<b>"certificated" or "in certificated form"</b>	the description of an Ordinary Share or other security which is not in uncertificated form (that is in CREST)
<b>"Company" or "SRT"</b>	SRT Marine Systems PLC
<b>"CREST"</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
<b>"CREST Regulations"</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755)
<b>"Directors" or "Board"</b>	the board of directors of the Company from time to time
<b>"Enlarged Share Capital"</b>	the issued share capital of the Company immediately following Admission, comprising the Existing Ordinary Shares and the New Ordinary Shares
<b>"EU Prospectus Regulation"</b>	Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market
<b>"Euroclear"</b>	Euroclear UK & International Limited, the operator of CREST
<b>"Existing Ordinary Shares"</b>	the 181,524,939 existing ordinary shares of 0.1 pence each in issue at the date of this Announcement, all of which are admitted to trading on AIM and being the entire issued ordinary share capital of the Company prior to the Fundraising
<b>"FCA"</b>	the Financial Conduct Authority
<b>"finnCap"</b>	finnCap Ltd
<b>"FSMA"</b>	the Financial Services and Markets Act 2000
<b>"Fundraising"</b>	together the Placing and the Retail Offer
<b>"Issue Price"</b>	50 pence per New Ordinary Share
<b>"Latest Practicable Date"</b>	22 June 2023, being the latest practicable date prior to the date of this Announcement
<b>"London Stock Exchange"</b>	London Stock Exchange plc
<b>"Long Stop Date"</b>	30 July 2023

<b>“New Ordinary Shares”</b>	the new Ordinary Shares to be issued pursuant to the Placing and the Retail Offer
<b>“Ordinary Shares”</b>	ordinary shares of 0.1 pence each in the capital of the Company
<b>“Placees”</b>	persons procured by finnCap to subscribe for the Placing Shares in accordance with the provisions of the Placing Agreement, each a “Placee”
<b>“Placing”</b>	the proposed conditional placing of the Placing Shares by finnCap, on behalf of the Company, at the Issue Price on the terms of the Placing Agreement
<b>“Placing Agreement”</b>	the agreement dated 23 June 2023 entered into by the Company and finnCap in connection with the Placing
<b>“Placing Shares”</b>	the minimum of 6,400,000 New Ordinary Shares which are to be conditionally placed for cash with Placees pursuant to the Placing, as established by the Bookbuild, in accordance with the terms of the Placing Agreement
<b>“Regulatory Information Service”</b>	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website
<b>“Registrar”</b>	Computershare Investor Services PLC
<b>“Retail Investors”</b>	eligible investors in the Retail Offer
<b>“Retail Offer”</b>	the offer of Retail Shares to be made to Retail Investors via the Primary Bid platform, the terms of which are contained in a separate announcement to be released on or around the date of this Announcement
<b>“Retail Shares”</b>	up to 1,500,000 New Ordinary Shares to be issued pursuant to the Retail Offer subject to, amongst other things, Admission
<b>“Shareholders”</b>	holders of Ordinary Shares from time to time, each individually a <b>“Shareholder”</b>
<b>“UK”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“UK MAR”</b>	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018
<b>“UK Prospectus Regulation”</b>	the Prospectus Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018
<b>“US” or “United States”</b>	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
<b>“uncertificated” or “in uncertificated form”</b>	an Ordinary Share recorded on a company’s share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
<b>“£”, “pounds sterling”, “pence” or “p”</b>	references to the lawful currency of the United Kingdom



## PLACING STATISTICS

Issue Price	50 pence
Number of Ordinary Shares in issue on the date of this Announcement	181,524,939
Number of Placing Shares	A minimum of 6,400,000
Number of Retail Shares	Up to 1,500,000
Enlarged Issued Share Capital *	Up to 189,424,939
New Ordinary Shares as a percentage of the Existing Ordinary Shares *	4.35 per cent.
Gross proceeds of the Placing	A minimum of £3.20 million
Gross proceeds of the Retail Offer*	Up to £0.75 million

\*Assuming take-up in full of the Placing and Retail Offer

## TERMS AND CONDITIONS OF THE PLACING

### IMPORTANT INFORMATION ON THE PLACING FOR INVITED PLACEES ONLY.

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**”) (WHICH IS FOR INFORMATION PURPOSES ONLY) IS DIRECTED ONLY AT: (A) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (THE “**EEA**”), ‘QUALIFIED INVESTORS’ AS DEFINED IN ARTICLE 2(E) OF REGULATION (EU) 2017/1129, AS AMENDED FROM TIME TO TIME (THE “**EU PROSPECTUS REGULATION**”); (B) IF IN THE UNITED KINGDOM, ‘QUALIFIED INVESTORS’ AS DEFINED IN ARTICLE 2(E) OF THE EU PROSPECTUS REGULATION AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE “**UK PROSPECTUS REGULATION**”) AND WHO (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS WHO FALL WITHIN ARTICLE 19(5) (INVESTMENT PROFESSIONALS) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 AS AMENDED (THE “**ORDER**”) OR (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER, OR (C) PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS IN (A), (B) AND (C) TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”).

THIS ANNOUNCEMENT 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 THE SALE OR SUBSCRIPTION OF ANY SECURITIES IN SRT MARINE SYSTEMS PLC (THE “**COMPANY**”).

The Placing Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and may not be offered, sold, subscribed, taken up or delivered to U.S. persons (as defined under Regulation S), or transferred, directly or indirectly, in the United States absent registration under the Securities Act or an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the securities laws of any other jurisdiction of the United States. The Placing Shares are being offered and sold only outside the United States in “Offshore Transactions” within the meaning of, and in accordance with, Regulation S under the Securities Act and otherwise in accordance with applicable laws. No public offering of the shares referred to herein is being made in the United States, United Kingdom, Australia, Canada, New Zealand, Japan, Republic of South Africa or elsewhere.

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, New Zealand, South Africa or any other jurisdiction in which such release, publication or distribution would be unlawful.

Each Placee should consult with its own advisors as to legal, tax, business and related aspects of a subscription for Placing Shares.

The distribution of this Announcement and/or the Placing and/or the issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, finnCap 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 finnCap to inform themselves about and to observe any such restrictions.

This Announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia), Australia, Canada, Japan, New Zealand or 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.



No prospectus will be made available in connection with the matters contained in this Announcement and no such prospectus is required (in accordance with the Prospectus Regulation (EU) 2017/1129) ("**Prospectus Regulation**") and the Prospectus Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**") to be published. Persons needing advice should consult an independent financial adviser.

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, the Japanese Ministry of Finance or the Financial Markets Authority in New Zealand; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan, New Zealand or South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan, New Zealand or South Africa or any other jurisdiction outside the United Kingdom.

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

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

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

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

1. it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
2. in the case of a Relevant Person in the United Kingdom who acquires any Placing Shares pursuant to the Placing:
  - (a) it is a 'Qualified Investor' within the meaning of Article 2(e) of the UK Prospectus Regulation;
  - (b) if it is not a 'Qualified Investor' within the meaning of Article 2(e) of the UK Prospectus Regulation, its participation in the Placing has been specifically agreed with finnCap in writing;
  - (c) in the case of any Placing Shares acquired by it as a 'financial intermediary', as that term is used in Article 5(1) of the UK Prospectus Regulation:-
    - (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in the United Kingdom other than 'Qualified Investors' (within the meaning of Article 2(e) of the UK Prospectus Regulation) or in circumstances in which the prior consent of finnCap have been given to the offer or resale;
    - (ii) where Placing Shares have been acquired by it on behalf of persons in the United Kingdom other than 'Qualified Investors' (within the meaning of Article 2(e) of the UK Prospectus Regulation), the offer of those Placing Shares to it is not treated under the UK Prospectus Regulation as having been made to such persons;
3. in the case of a Relevant Person in a member state of the EEA (each, a "**Relevant Member State**") who acquires any Placing Shares pursuant to the Placing:

- (a) it is a 'Qualified Investor' within the meaning of Article 2(e) of the EU Prospectus Regulation;
  - (b) if it is not a 'Qualified Investor' within the meaning of Article 2(e) of the EU Prospectus Regulation, its participation in the Placing has been specifically agreed with finnCap in writing;
  - (c) in the case of any Placing Shares acquired by it as a 'financial intermediary', as that term is used in Article 5(1) of the EU Prospectus Regulation:-
    - (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than 'Qualified Investors' (within the meaning of Article 2(e) of the EU Prospectus Regulation) or in circumstances in which the prior consent of finnCap have been given to the offer or resale;
    - (ii) where Placing Shares have been acquired by it on behalf of persons in any Relevant Member State other than 'Qualified Investors' (within the meaning of Article 2(e) of the EU Prospectus Regulation), the offer of those Placing Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons;
4. it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it has authority to exercise, and is exercising, sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this Announcement;
  5. it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Appendix;
  6. except as otherwise permitted by the Company and subject to any available exemptions from applicable securities laws, it (and any person on whose account it is acting, as referred to in paragraph 4 above) is located outside the United States and is acquiring the Placing Shares in an 'offshore transaction' as defined in, and in accordance with, Regulation S under the Securities Act; and
  7. it has not offered, sold or delivered and will not offer to sell or deliver any of the Placing Shares to persons within the United States or to U.S. persons, directly or indirectly; neither it, its affiliates, nor any persons acting on its behalf, have engaged or will engage in any directed selling efforts (as defined in Rule 902(c) of Regulation S) with respect to the Placing Shares.

#### **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 Placing Shares and Placees' commitments will be made solely on the basis of their own assessment of the Company, the Placing Shares and the Placing based on the information contained in this Announcement and any other information publicly announced through a Regulatory Information Service 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 Placees.

Each Placee, by participating in the Placing, agrees that the content of this Announcement (including this Appendix) 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 finnCap or the Company or any other person and none of finnCap, the Company or any other person acting on such person's behalf nor any of their respective affiliates has or shall have any responsibility or liability for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. No Placee should consider any

information in this Announcement or the Publicly Available Information to be legal, tax or business advice. Each Placee should consult its own attorney, tax advisor and business advisor for legal, tax and business advice regarding an investment in the Placing Shares. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

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

finnCap has today entered into a placing agreement (the “**Placing Agreement**”) with the Company under which, on the terms and subject to the conditions set out in the Placing Agreement, finnCap, as agent for and on behalf of the Company, has agreed to use its reasonable endeavours to procure placees for a minimum of 6,400,000 new Ordinary Shares (the “**Placing Shares**”).

The final number of Placing Shares and the Issue Price will be determined following completion of an accelerated bookbuild process (the “**Bookbuild**”) as set out in this Announcement.

The Placing Shares will, when issued, be subject to the articles of association of the Company and will be credited as fully paid and will rank *pari passu* in all respects with the issued ordinary shares of 0.1 pence each 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 Placing Shares.

#### **Applications for Admission to AIM**

An application will be made to London Stock Exchange plc (the “**London Stock Exchange**”) for the admission of the Placing Shares to trading on AIM (“**Admission**”).

It is expected that Admission will occur at 8.00 a.m. on 30 June 2023 (or such later time and/or date as finnCap may agree with the Company, being no later than 8.00 a.m. on the Long Stop Date) and that dealings in the Placing Shares on AIM will commence at that time.

#### **Bookbuild**

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

finnCap shall be entitled to effect the Placing by such alternative method to the Bookbuild as it may, in its absolute discretion following consultation with the Company, determine.

#### **Participation in, and principal terms of, the Placing**

1. finnCap is arranging the Placing as broker and placing agent of the Company. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by finnCap. finnCap may itself agree to be a Placee in respect of all or some of the Placing Shares or may nominate any member of its group to do so.
2. The number of Placing Shares will be agreed by finnCap (in consultation with the Company) following completion of the Bookbuild. The number of Placing Shares to be issued will be announced on a Regulatory Information Service following the completion of the Bookbuild.
3. To participate in the Bookbuild, prospective Placees should communicate their bid orally by telephone or in writing to their usual sales contact at finnCap. Each bid should state the number of Placing Shares which the prospective Placee wishes to subscribe for at the Issue Price. finnCap reserves the right not to accept bids or to accept bids in part rather than in whole. The acceptance of the bids will be at finnCap's absolute discretion, subject to agreement with the Company. finnCap reserves the right to scale back the number of Placing Shares to be subscribed by any Placee in the event of an oversubscription under the Placing.

4. The Bookbuild is expected to close no later than 6.00 p.m. today but may be closed earlier or later at the sole discretion of finnCap. finnCap may, in agreement with the Company, accept bids that are received after the Bookbuild has closed. The Company reserves the right (upon the agreement of finnCap) to reduce the number of Placing Shares to be issued pursuant to the Placing, in its absolute discretion.
5. Allocations of the Placing Shares will be determined by finnCap after consultation with the Company (the proposed allocations having been supplied by finnCap to the Company in advance of such consultation). Allocations in respect of the Placing Shares will be confirmed orally to Placees by finnCap and a contract note will be dispatched as soon as possible thereafter. finnCap's oral confirmation to such Placee constitutes an irrevocable legally binding commitment upon such person (who will at that point become a Placee), in favour of finnCap (as agent for the Company) and the Company, on the terms and subject to the conditions set out in this Appendix and in accordance with the Company's articles of association to subscribe for such number of Placing Shares as are confirmed by finnCap and to pay in cleared funds an amount equal to the product of the Issue Price and the number of Placing Shares for which such Placee has agreed to subscribe. Except with finnCap's consent, such commitment will not be capable of variation or revocation after the time at which it is submitted.
6. As set out above, each Placee's allocation and commitment will be evidenced by a contract note issued to such Placee by finnCap. The terms of this Appendix will be deemed incorporated in that contract note.
7. Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be subscribed for pursuant to the Placing will be required to be made at the same time on the basis explained below under the heading 'Registration and Settlement'.
8. All obligations under the Bookbuild and/or the Placing will be subject to fulfilment or (where applicable) waiver of the conditions referred to below under the heading 'Conditions of the Placing' and to the Placing not being terminated on the basis referred to below under 'Right to terminate under the Placing Agreement'.
9. By participating in the Placing, each Placee agrees that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
10. To the fullest extent permissible by law and the applicable rules of the FCA, none of finnCap, the Company, or any of their respective affiliates, agents, directors, officers or employees shall have any responsibility or liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, none of finnCap, the Company, or any of their respective affiliates, agents, directors, officers or employees shall have any responsibility or liability (including to the extent permissible by law, any fiduciary duties) in respect of finnCap's conduct of the Placing or of such alternative method of effecting the Placing as finnCap and the Company may determine.
11. The Placing Shares will be issued subject to the terms and conditions of this Announcement and each Placee's commitment to subscribe for Placing Shares on the terms set out herein will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or finnCap's conduct of the Placing.
12. All times and dates in this Announcement may be subject to amendment. finnCap shall notify the Placees and any person acting on behalf of the Placees of any changes.

### Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional prior to Admission, and not having been terminated in accordance with its terms prior to Admission. finnCap's obligations under the Placing Agreement are conditional on customary conditions including (amongst others) (the “**Conditions**”) set out below.

1. the Company having complied, in the opinion of finnCap (acting in good faith), with all of its obligations under the Placing Agreement (to the extent that such obligations fall to be performed before Admission and there having occurred no material default or breach by the Company of its terms at any time immediately prior to Admission);
2. in the opinion of finnCap (acting in good faith), each of the warranties contained in the Placing Agreement being true and accurate and not misleading on and as of the date of the Placing Agreement and the date of Admission as though they had been given and made on such dates by reference to the facts and circumstances at the relevant time; and
3. Admission occurring no later than 8.00 a.m. on 30 June 2023 (or such later time and/or date, not being later than 8.00 a.m. on the Long Stop Date, as finnCap may otherwise agree with the Company provided that each of the parties shall perform its respective obligations under the Placing Agreement until such time (if any) when any of the conditions under the Placing Agreement becomes incapable of being satisfied and has not been waived).

finnCap may, at its discretion and upon such terms as it thinks fit, waive compliance by the Company with the whole or any part of certain of the Company's obligations in relation to the conditions in the Placing Agreement (and Admission) or extend the time or date provided for fulfilment of certain such conditions in respect of all or any part of the performance thereof. The conditions in the Placing Agreement relating to (amongst other things) Admission taking place may not be waived. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

If: (i) any of the conditions are not fulfilled or (where permitted) waived by finnCap by the relevant time or date specified (or such later time or date as the Company and finnCap may agree); or (ii) the Placing Agreement is terminated in the circumstances specified below under 'Right to terminate under the Placing Agreement', the Placing will not proceed and the Placees' rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by it or on its behalf (or any person on whose behalf the Placee is acting) in respect thereof.

None of finnCap, the Company, or any of their respective affiliates, agents, directors, officers or employees shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they 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 they 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 finnCap.

#### **Right to terminate under the Placing Agreement**

finnCap is entitled, at any time on or before Admission, to terminate its obligations under the Placing Agreement in accordance with its terms in certain circumstances, including, *inter alia*:

1. the Company fails to comply with its obligations under the Placing Agreement or under the terms of the Placing which, in any such case, finnCap (acting in good faith) considers to be material; or
2. any of the warranties or undertakings contained in the Placing Agreement is untrue or inaccurate by reference to the facts or circumstances subsisting at the time or a matter has arisen that might reasonably be expected to give rise to a claim under the indemnity contained in the Placing Agreement, in each case in any respect which finnCap (acting in good faith) considered to be material; or
3. it comes to the notice of finnCap that any statement contained in, amongst other things, this Announcement (including this Appendix) was or has become untrue, incorrect or misleading in any respect which finnCap (acting in good faith) considers to be material or that any matter which finnCap (acting in good faith) considers to be material has arisen which would if the Placing were made at that time, constitute a material omission therefrom; or

4. the occurrence of certain force majeure events, the effect of which is such as to make it, in the judgment of finnCap (acting in good faith), impracticable or inadvisable to proceed with the Placing in the manner contemplated in the Placing Agreement or which may materially and adversely affect the success of the Placing or dealings in the Placing Shares.

Upon termination, finnCap shall be released and discharged (except for any liability arising before or in relation to such termination) from its obligations under or pursuant to the Placing Agreement, subject to certain exceptions. If finnCap terminates its obligations under the Placing Agreement, then the Placing Agreement shall cease and terminate and the Placing will not proceed.

By participating in the Placing, each Placee agrees that (i) the exercise by finnCap of any right of termination or of any other discretion under the Placing Agreement shall be within the absolute discretion of finnCap and that it need not make any reference to, or consult with, Placees and that it shall have no liability to Placees whatsoever in connection with any such exercise or failure to so exercise and (ii) its rights and obligations terminate only in the circumstances described above under the heading 'Right to terminate under the Placing Agreement' and the heading 'Conditions of the Placing', and its participation will not be capable of rescission or termination by it after oral confirmation by finnCap of the allocation and commitments following the close of the Bookbuild.

#### **Lock-up Arrangements**

The Company has undertaken to finnCap that, between the date of the Placing Agreement and 2 months after Admission, it will not offer, issue, sell or otherwise dispose of (or announce an intention of doing so) any shares of the Company, or any securities convertible into or exchangeable or carrying rights to acquire other shares of the Company, whether settled in cash or otherwise, without prior consent from finnCap (save for any issues pursuant to any employee share or incentive scheme adopted by the Company prior to the date of the Placing Agreement);

By participating in the Placing, Placees agree that the exercise by finnCap of any power to grant consent to the undertaking by the Company of a transaction which would otherwise be subject to the lock-up provisions under the Placing Agreement shall be within the absolute discretion of finnCap and that it need not make any reference to, or consult with, Placees and that it shall have no liability to Placees whatsoever in connection with any such exercise of the power to grant consent.

#### **Placing Procedure**

Placees shall subscribe for the Placing Shares to be issued pursuant to the Placing and any allocation of the Placing Shares to be issued pursuant to the Placing, will be notified to them on or around 23 June 2023 (or such other time and/or date as the Company and finnCap may agree).

#### **Registration and Settlement**

Settlement of transactions in the Placing Shares (ISIN: GB00B0M8KM36) following Admission will take place within the system administered by Euroclear UK & International Limited ("CREST"), subject to certain exceptions. finnCap reserves the right to require settlement for, and delivery of, the Placing Shares (or any part thereof) to Placees by such other means that it may deem necessary if delivery or settlement is not possible or practicable within the CREST system or would not be consistent with the regulatory requirements in the relevant Placee's jurisdiction.

Following the close of the Bookbuild, each Placee to be allocated Placing Shares in the Placing will be sent a contract note in accordance with the standing arrangements in place with finnCap stating the number of Placing Shares allocated to them at the Issue Price, the aggregate amount owed by such Placee to finnCap and settlement instructions. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with the standing CREST or certificated settlement instructions in respect of the Placing Shares that it has in place with finnCap.

The Company will instruct the Registrar to deliver the Placing Shares to a CREST account operated by finnCap as agent for the Company and finnCap will enter its delivery instruction into the CREST system. The input to CREST by

a Placee of a matching or acceptance instruction will then allow delivery of the relevant Placing Shares to that Placee against payment.

It is anticipated that settlement in respect of the Placing Shares will take place on 30 June 2023 on a delivery versus payment basis.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above the London Interbank Offered Rate ("**LIBOR**") as determined by finnCap.

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

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the contract note is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are issued in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. If there are any circumstances in which any stamp duty or stamp duty reserve tax or other similar taxes or duties (including any interest and penalties relating thereto) is payable in respect of the allocation, allotment, issue, sale, transfer or delivery of the Placing Shares (or, for the avoidance of doubt, if any stamp duty or stamp duty reserve tax is payable in connection with any subsequent transfer of or agreement to transfer Placing Shares), neither finnCap nor the Company shall be responsible for payment thereof.

### **Representations, warranties, undertakings and acknowledgements**

By participating in the Placing each Placee (and any person acting on such Placee's behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (as the case may be) with finnCap (in its capacity as broker and placing agent of the Company in respect of the Placing) and the Company, in each case as a fundamental term of their application for Placing Shares, the following:

#### **General**

1. it has read and understood this Announcement in its entirety and its subscription for 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 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 the Placing, the Company, the Placing Shares or otherwise other than the information contained in this Announcement (including this Appendix) and the Publicly Available Information;
2. the person whom it specifies for registration as holder of the Placing Shares will be (a) itself or (b) its nominee, as the case may be. Neither finnCap nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar taxes or duties imposed in any jurisdiction (including interest and penalties relating thereto) ("**Indemnified Taxes**"). Each Placee and any person acting on behalf of such Placee agrees to indemnify the Company and finnCap on an after-tax basis in respect of any Indemnified Taxes;
3. neither finnCap nor any of its affiliates, agents, directors, officers and employees accept any responsibility for any acts or omissions of the Company or any of the directors of the Company or any other person (other than finnCap) in connection with the Placing;
4. time is of the essence as regards its obligations under this Announcement;

5. any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to finnCap;
6. the Placing Shares will be issued subject to the terms and conditions of this Appendix and the articles of association of the Company;

**No distribution of Announcement**

7. it will not redistribute, forward, transfer, duplicate or otherwise transmit this Announcement or any part of it, or any other presentational or other material concerning the Placing (including electronic copies thereof) to any person and represents that it has not redistributed, forwarded, transferred, duplicated, or otherwise transmitted any such materials to any person;

**No prospectus**

8. no prospectus or other offering document is required under the UK Prospectus Regulation or the EU Prospectus Regulation, nor will one be prepared in connection with the Bookbuild, the Placing or the Placing Shares and it has not received and will not receive a prospectus or other offering document in connection with the Bookbuild, the Placing or the Placing Shares;

**Purchases by finnCap for its own account**

9. in connection with the Placing, finnCap and any of its affiliates acting as an investor for its own account may subscribe for Placing Shares in the Company and in that capacity may retain, purchase or sell for its own account such Placing Shares in the Company and any securities of the Company or related investments and may offer or sell such securities or other investments otherwise than in connection with the Placing. Accordingly, references in this Announcement to the Placing Shares being issued, offered or placed should be read as including any issue, offering or placement of such shares in the Company to finnCap or any of its affiliates acting in such capacity;
10. finnCap and its affiliates may enter into financing arrangements and swaps with investors in connection with which finnCap and any of its affiliates may from time to time acquire, hold or dispose of such securities of the Company, including the Placing Shares;
11. finnCap does not intend to disclose the extent of any investment or transactions referred to in paragraphs 9 and 10 above otherwise than in accordance with any legal or regulatory obligation to do so;

**No fiduciary duty or client of finnCap**

12. finnCap does not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement;
13. its participation in the Placing is on the basis that it is not and will not be a client of finnCap in connection with its participation in the Placing and that finnCap has no duties or responsibilities to it for providing the protections afforded to its respective clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its respective rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

**No responsibility of finnCap for information**

14. the content of this Announcement and the Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and neither finnCap nor its respective affiliates agents, directors, officers or employees nor any person acting on behalf of any of them is responsible for or has or shall have any responsibility or liability for any information, representation or statement contained in, or omission from, this Announcement, the Publicly Available Information or otherwise nor will they be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or



statement contained in this Announcement, the Publicly Available Information or otherwise, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by such person;

#### **Reliance on information regarding the Placing**

15.

- (a) the only information on which it is entitled to rely on and on which such Placee has relied in committing itself to subscribe for Placing Shares is contained in this Announcement, or any Publicly Available Information (save that in the case of Publicly Available Information, a Placee's right to rely on that information is limited to the right that such Placee would have as a matter of law in the absence of this paragraph 15(a)), such information being all that such Placee deems necessary or appropriate and sufficient to make an investment decision in respect of the Placing Shares;
- (b) it has neither received nor relied on any other information given, or representations, warranties or statements, express or implied, made, by finnCap or the Company nor any of their respective affiliates, agents, directors, officers or employees acting on behalf of any of them (including in any management presentation delivered in respect of the Bookbuild) with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of any information contained in this Announcement, or the Publicly Available Information or otherwise;
- (c) neither finnCap, nor the Company, nor any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has provided, nor will provide, it with any material or information regarding the Placing Shares or the Company or any other person other than the information in this Announcement (including this Appendix) or the Publicly Available Information; nor has it requested finnCap, the Company, any of their respective affiliates or any person acting on behalf of any of them to provide it with any such material or information; and
- (d) neither finnCap or the Company will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement,

provided that nothing in this paragraph 15 excludes the liability of any person for fraudulent misrepresentation made by that person;

#### **Conducted own investigation and due diligence**

- 16. it may not rely, and has not relied, on any investigation that finnCap, any of its affiliates or any person acting on its behalf, may have conducted with respect to the Placing Shares, the terms of the Placing or the Company, and none of such persons has made any representation, express or implied, with respect to the Company, the Placing, the Placing Shares or the accuracy, completeness or adequacy of the information in this Announcement, the Publicly Available Information or any other information;
- 17. in making any decision to subscribe for Placing Shares it:-
  - (a) has such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing for the Placing Shares;
  - (b) will not look to finnCap for all or part of any such loss it may suffer;
  - (c) is experienced in investing in securities of this nature in this sector and is aware that it may be required to bear, and is able to bear, the economic risk of an investment in the Placing Shares;
  - (d) is able to sustain a complete loss of an investment in the Placing Shares;
  - (e) has no need for liquidity with respect to its investment in the Placing Shares;

- (f) has made its own assessment and has satisfied itself concerning the relevant tax, legal, currency and other economic considerations relevant to its investment in the Placing Shares; and
  - (g) has conducted its own due diligence, examination, investigation and assessment of the Company, the Placing Shares and the terms of the Placing and has satisfied itself that the information resulting from such investigation is still current and relied on that investigation for the purposes of its decision to participate in the Placing;
18. 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 for Companies, which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that it is able to obtain or access such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other publicly traded company, without undue difficulty;

#### **Capacity and authority**

19. it is subscribing for the Placing Shares for its own account or for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the acknowledgements, representations and agreements contained in this Announcement;
20. it is acting as principal only in respect of the Placing or, if it is acting for any other person, it is:
- (a) duly authorised to do so and has full power to make the acknowledgments, representations and agreements herein on behalf of each such person; and
  - (b) and will remain liable to the Company and/or finnCap for the performance of all its obligations as a Placee in respect of the Placing (regardless of the fact that it is acting for another person);
21. it and any person acting on its behalf is entitled to subscribe for the Placing Shares under the laws and regulations of all relevant jurisdictions that apply to it and that it has fully observed such laws and regulations, has capacity and authority and is entitled to enter into and perform its obligations as a subscriber of Placing Shares and will honour such obligations, and has obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may be required thereunder and complied with all necessary formalities to enable it to commit to this participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Announcement) and will honour such obligations and that it has not taken any action or omitted to take any action which will or may result in finnCap, the Company or any of their respective directors, officers, agents, employees or advisers acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing;
22. where it is subscribing for Placing Shares for one or more managed accounts, it is authorised in writing by each managed account to subscribe for the Placing Shares for each managed account;
23. it irrevocably appoints any duly authorised officer of finnCap as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares for which it agrees to subscribe for upon the terms of this Announcement;

#### **Excluded territories**

24. the Placing Shares have not been and will not be registered or otherwise qualified and that a prospectus will not be cleared in respect of any of the Placing Shares under the securities laws or legislation of the United States, Australia, New Zealand, Canada, Japan or South Africa, or any state, province, territory or jurisdiction thereof;

25. the Placing Shares may not be offered, sold, or delivered or transferred, directly or indirectly, in or into the above jurisdictions or any jurisdiction (subject to certain exceptions) in which it would be unlawful to do so and no action has been or will be taken by any of the Company, finnCap or any person acting on behalf of the Company or finnCap that would, or is intended to, permit a public offer of the Placing Shares in the United States, Australia, Canada, Japan, New Zealand or South Africa or any country or jurisdiction, or any state, province, territory or jurisdiction thereof, where any such action for that purpose is required;
26. unless otherwise specifically agreed with finnCap, it is not and at the time the Placing Shares are subscribed for, neither it nor the beneficial owner of the Placing Shares will be, a resident of, nor have an address in, Australia, Japan, New Zealand, South Africa or any province or territory of Canada;
27. it may be asked to disclose in writing or orally to finnCap:
  - (a) if he or she is an individual, his or her nationality; or
  - (b) if he or she is a discretionary fund manager, the jurisdiction in which the funds are managed or owned;

#### **Compliance with US securities laws**

28. it, and any prospective beneficial owner for whose account or benefit it is purchasing the Placing Shares, is (i) located outside the United States and is acquiring the Placing Shares in an 'offshore transaction' as defined in, and in accordance with Rule 902(h) of Regulation S; (ii) has not been offered to purchase or subscribe for Placing Shares by means of any "directed selling efforts" as defined in Rule 902(c) of Regulation S;
29. it understands that the Placing Shares have not been, and will not be, registered under the Securities Act and may not be offered or sold, directly or indirectly, in or into or from the United States or to U.S. persons except pursuant to an effective registration under the Securities Act, or pursuant to an exemption from the registration requirements of the Securities Act;
30. it will not distribute, forward, transfer or otherwise transmit this Announcement or any part of it, or any other presentational or other materials concerning the Placing in or into or from the United States (including electronic copies thereof) to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;

#### **Compliance with selling restrictions, the EU Prospectus Regulation and the UK Prospectus Regulation**

31. if in the United Kingdom, it is a Relevant Person and unless otherwise specifically agreed with finnCap in writing, it is a Qualified Investor (as such term is defined in Article 2(e) of the UK Prospectus Regulation);
32. if in a Relevant Member State, it is a Relevant Person and unless otherwise specifically agreed with finnCap in writing, it is a Qualified Investor (as such term is defined in Article 2(e) of the EU Prospectus Regulation);
33. it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom except to 'Qualified Investors' (as such term is defined in Article 2(e) of the UK Prospectus Regulation) or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in the United Kingdom within the meaning of the UK Prospectus Regulation;
34. it has not offered or sold and will not offer or sell any Placing Shares to persons in a Relevant Member State except to 'Qualified Investors' (as such term is defined in Article 2(e) of the EU Prospectus Regulation) or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the EEA or the United Kingdom within the meaning of the EU Prospectus Regulation;
35. if a financial intermediary, as that term is used in Article 5(1) of the UK Prospectus Regulation, the Placing Shares subscribed for by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in the United Kingdom other than 'Qualified Investors' (as such term is defined in Article 2(e) of the UK Prospectus Regulation), or in circumstances in which the prior consent of finnCap has been given to each proposed offer or resale;

36. if a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation, the Placing Shares subscribed for by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a Relevant Member State other than 'Qualified Investors' (as such term is defined in Article 2(e) of the EU Prospectus Regulation), or in circumstances in which the prior consent of finnCap has been given to each proposed offer or resale;

#### **Compliance with FSMA, the UK financial promotion regime and UK MAR**

37. if in the United Kingdom, that it is a person (i) having professional experience in matters relating to investments who falls within the definition of 'investment professionals' in Article 19(5) of the Order or (ii) who falls within Article 49(2) (a) to (d) ("**High Net Worth Companies, Unincorporated Associations, etc.**") of the Order, or (iii) to whom it may otherwise lawfully be communicated;
38. it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of FSMA;
39. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and it acknowledges and agrees that this Announcement (including this Appendix) and any presentation in respect of the Placing have not and will not have been approved by finnCap 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 a financial promotion by an authorised person;
40. it has complied and will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the Placing Shares (including all applicable provisions in FSMA and UK MAR in respect of anything done in, from or otherwise involving, the United Kingdom);

#### **Compliance with laws**

41. if it is a pension fund or investment company, its subscription for Placing Shares is in full compliance with applicable laws and regulations;
42. it is not a (i) a person named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or (ii) a person subject to financial sanctions imposed pursuant to a regulation of the European Union or a regulation adopted by the United Nations;
43. it has complied with its obligations under the Criminal Justice Act 1993 and Articles 8, 10 and 12 of UK MAR and in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and any related or similar rules, regulations or guidelines, issued, administered or enforced by any government agency having jurisdiction in respect thereof (the "**Regulations**") and the Money Laundering Sourcebook of the FCA 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;
44. in order to ensure compliance with the Regulations, finnCap (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to finnCap or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at finnCap's absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at finnCap's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification

of identify finnCap (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, either finnCap and/or the Company may, at its absolute discretion, terminate its commitment in respect of the 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;

#### **Depository receipts and clearance services**

45. the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to issue or transfer Placing Shares into a clearance service;

#### **Undertaking to make payment**

46. it (and any person acting on its behalf) has the funds available to pay for the Placing Shares for which it has agreed to subscribe and acknowledges and agrees that it will make payment in respect of the Placing Shares allocated to it in accordance with this Announcement on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other subscribers or sold as finnCap may in its sole discretion determine and without liability to such Placee, who will remain liable for any amount by which the net proceeds of such sale falls short of the product of the relevant Issue Price and the number of Placing Shares allocated to it and will be required to bear any stamp duty, stamp duty reserve tax or other taxes or duties (together with any interest, fines or penalties) imposed in any jurisdiction which may arise upon the sale of such Placee's Placing Shares;

#### **Commitment**

47. it acknowledges that its commitment to acquire 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 Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or finnCap's conduct of the Placing;

#### **Money held on account**

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

#### **Allocation**

49. its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares which it will be entitled, and required, to subscribe for, and that finnCap or the Company may call upon it to subscribe for a lower number of Placing Shares, but in no event in aggregate more than the aforementioned maximum;

#### **No recommendation**

50. neither finnCap, nor any of its respective affiliates, nor any person acting on behalf of it, is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing;

#### **Inside information**

51. if it has received any 'inside information' (for the purposes of UK MAR and section 56 of the Criminal Justice Act 1993) in relation to the Company and its securities in advance of the Placing, it confirms that it has received such information within the market soundings regime provided for in article 11 of UK MAR and associated delegated regulations and it has not:
- (a) used that inside information to acquire or dispose of securities of the Company or financial instruments related thereto or cancel or amend an order concerning the Company's securities or any such financial instruments;
  - (b) used that inside information to encourage, require, recommend or induce another person to deal in the securities of the Company or financial instruments related thereto or to cancel or amend an order concerning the Company's securities or such financial instruments; or
  - (c) disclosed such information to any person, prior to the information being made publicly available;

#### **Rights and remedies**

52. the rights and remedies of the Company and finnCap under the terms and conditions in this Announcement 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; and

#### **Governing law and jurisdiction**

53. these terms and conditions of the Placing and any agreements entered into by it pursuant to the terms and conditions of the Placing, and all non-contractual or other obligations arising out of or in connection with them, shall be governed by and construed in accordance with the laws of England and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract (including any dispute regarding the existence, validity or termination of such contract or relating to any non-contractual or other obligation arising out of or in connection with such contract), except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by either the Company or finnCap in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

The foregoing representations, warranties, confirmations, acknowledgements, agreements and undertakings are given for the benefit of the Company as well as finnCap and are irrevocable. finnCap, the Company and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, confirmations, acknowledgements, agreements and undertakings. Each prospective Placee, and any person acting on behalf of such Placee, irrevocably authorises the Company and finnCap to produce this Announcement, pursuant to, in connection with, or as may be required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth herein.

#### **Indemnity**

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

#### **Taxation**

The agreement to allot and issue Placing Shares to Placees (and/or to persons for whom such Placee is contracting as agent) free of stamp duty and stamp duty reserve tax relates only to their allotment and issue to Placees, or such

persons as they nominate as their agents, direct from the Company for the Placing Shares in question. Such agreement also assumes that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to issue or transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other dealing in the Placing Shares, stamp duty or stamp duty reserve tax or other similar taxes or duties may be payable, for which neither the Company nor finnCap will be responsible and the Placees shall indemnify the Company and finnCap on an after-tax basis for any stamp duty or stamp duty reserve tax or other similar taxes or duties (together with interest, fines and penalties) in any jurisdiction paid by the Company or finnCap in respect of any such arrangements or dealings. If this is the case, each Placee should seek its own advice and notify finnCap accordingly. Placees are advised to consult with their own advisers regarding the tax aspects of the subscription for Placing Shares.

The Company and finnCap are not liable to bear any taxes that arise on a sale of Placing Shares subsequent to their acquisition by Placees, including any taxes arising otherwise than under the laws of the United Kingdom. Each prospective Placee should, therefore, take its own advice as to whether any such tax liability arises and notify finnCap and the Company accordingly. Furthermore, each prospective Placee agrees to indemnify on an after-tax basis and hold finnCap and/or the Company and their respective affiliates harmless from any and all interest, fines or penalties in relation to stamp duty, stamp duty reserve tax and all other similar duties or taxes in any jurisdiction to the extent that such interest, fines or penalties arise from the unreasonable default or delay of that Placee or its agent.

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

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. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

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 pursuant to the Placing will not be admitted to trading on any stock exchange other than AIM.

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