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THIS ANNOUNCEMENT, INCLUDING THE APPENDIX, IS FOR INFORMATION PURPOSES ONLY AND IS NOT AN OFFER OF SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL UNDER THE SECURITIES LAWS OF ANY SUCH JURISDICTION.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 596/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("MAR"), AND IS DISCLOSED IN ACCORDANCE WITH THE COMPANY'S OBLIGATIONS UNDER ARTICLE 17 OF MAR. IN ADDITION, MARKET SOUNDINGS (AS DEFINED IN UK MAR) WERE TAKEN IN RESPECT OF CERTAIN OF THE MATTERS CONTAINED WITHIN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF INSIDE INFORMATION (AS DEFINED UNDER MAR). UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THOSE PERSONS THAT RECEIVED INSIDE INFORMATION IN A MARKET SOUNDING ARE NO LONGER IN POSSESSION OF SUCH INSIDE INFORMATION, WHICH IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

PLEASE SEE THE IMPORTANT NOTICES AT THE END OF THIS ANNOUNCEMENT .

12 March 2024

PCI-PAL PLC

("PCI Pal", the "Company" or the "Group")

Proposed Placing to raise up to £3.5 million

PCI-PAL PLC (AIM: PCIP), the global cloud provider of secure payment solutions, today announces its intention to conduct a fundraising to raise gross proceeds of up to approximately £3.5 million through a placing (the "**Placing**") of new ordinary shares of 1 penny each in the capital of the Company (the "**Placing Shares**") by way of an accelerated bookbuild (the "**Bookbuild**").

Highlights

- Proposed Placing of up to 6,250,000 Placing Shares at a fixed price of 56 pence per Placing Share (the "**Issue Price**") to raise gross proceeds for the Company of up to £3.5 million.
- The net proceeds of the Placing received by the Company will be used to:
 - o provide further capital for the Company's continued expansion in the US with a focus on marketing, product marketing and driving more engagement with key partners;
 - o support the Company's growth across EMEA;
 - o provide the Company with additional working capital; and
 - o strengthen the Company's balance sheet and pivot the Company into a stronger operating position.

- The Placing is to be conducted by way of an accelerated bookbuild process which will commence immediately following the release of this announcement (the "**Announcement**") and will be subject to the terms and conditions set out in the Appendix to this Announcement (which forms part of this Announcement).
- The Issue Price is equivalent to the closing mid-market price of an ordinary share on 11 March 2024, being the last trading day prior to this Announcement.

This Announcement should be read in its entirety. In particular, your attention is drawn to (i) the detailed terms and conditions of the Placing and (ii) further information relating to the Placing and any participation in the Placing, each of which is set out in the Appendix to this Announcement (which forms part of this Announcement).

Background to the Placing and use of proceeds

The Company's interim results for the six months to 31 December 2023 announced on 27 February 2024 demonstrated the continued growth of the business with revenue in the period up 20% year on year to £8.7m; exit ARR run rate increased 23% to £14.7 million; and Total Annual Contract Value* ("TACV") increased 18% to £17.5m. Furthermore, the Board also reported that the Company was on track for its near-term expectations to be profitable at a Group level, which was evidenced by its first period of adjusted EBITDA positive trading in H1.

The Board is very much focused on capitalising on the market opportunity in front of it and doing so from a profitable base in the near term. It envisages growth will be targeted through strategic expansion across the Company's key geographic markets, whilst maintaining the strength and stability of the Company's operations underpinned by the Company's high margin, scalable, globally available SaaS technology platform.

The first half saw revenues in North America grow by approximately 38% year on year. The Board sees this region as a continuing key area of growth for the Company. Therefore, approximately half of the net proceeds of the Placing will be used to fund the Company's continued expansion in the US, the Group's largest market, through targeted marketing initiatives (direct and partner), product marketing, and driving more engagement globally with the Company's key partners.

The remainder of the funds raised will strengthen the Company's balance sheet, pivoting the Company into a stronger operating position, as well as providing additional working capital to support the Company's growth across EMEA. The plans for EMEA include further investment in regional marketing initiatives and more sophisticated localised partner enablement and management.

** TACV is the total annual recurring revenue of all signed contracts, whether invoiced and included in deferred revenue or still to be deployed and/or not yet invoiced.*

Details of the Placing

It is expected that up to 6,250,000 Placing Shares will be issued pursuant to the Placing, which would represent up to approximately 9.5 per cent. of the Company's current issued share capital (excluding shares held in treasury). The Placing will utilise the existing authorities of the Company, granted at the Company's annual general meeting held on 12 December 2023 permitting it to issue new Ordinary Shares on a non-pre-emptive basis.

The Placing is being made available to institutional investors and is not being made available to the public. The Company has consulted with its major institutional shareholders ahead of release of this Announcement, which has confirmed the Board's view that the Placing is in the best interests of shareholders.

As part of the Placing, the Company is seeking to raise funds by the issue of the Placing Shares to VCTs and investors seeking tax relief under the Enterprise Investment Scheme. Such Placing Shares are intended to rank as "eligible shares" for the purposes of EIS and VCT investors and a "qualifying holding"

for the purposes of an investment by VCTs, each pursuant to the relevant respective sections of the Income Tax Act 2007 ("**ITA 2007**"). The Company has not made an advanced assurance application to HM Revenue & Customs ("**HMRC**") in respect of EIS qualification of the EIS shares issued pursuant to this Placing, but the Company has obtained a written opinion from specialist tax advisers confirming that the Company would, subject to the relevant limits on such issuances, be able to issue part of the Placing Shares as "eligible shares" under the relevant sections of the ITA 2007. Neither the Company nor the Directors give any warranties or undertakings that EIS reliefs or VCT reliefs will be granted in respect of Placing Shares issued as EIS/VCT qualifying shares pursuant to the Placing. Neither the Company nor the Directors give any warranties or undertakings that EIS reliefs or VCT reliefs, if granted, will not be withdrawn. If the Company carries on activities beyond those disclosed to HMRC in a prior advance clearance obtained in connection with a previous placing of ordinary shares in the Company, then shareholders may cease to qualify for the tax benefits. Placees must take their own advice and rely on it.

PCI Pal has today entered into a placing agreement with Cavendish Capital Markets Limited ("**Cavendish**") to act as bookrunner (the "**Bookrunner**") in relation to the Placing (the "**Placing Agreement**"). The Placing is conditional upon, among other matters, Admission becoming effective and the Placing Agreement becoming unconditional and not being terminated in accordance with its terms.

The Placing is being conducted by way of the Bookbuild which will be launched with immediate effect following release of this Announcement. The timing of the closing of the Bookbuild, the number of new Ordinary Shares issued pursuant to the Placing and allocations are at the sole discretion of the Company and the Bookrunner. The Bookrunner reserves the right to close the Bookbuild without further notice. There can be no certainty that the Placing will complete. The Placing is being undertaken on a reasonable endeavours basis and is not being underwritten.

A further announcement following the close of the Bookbuild, confirming the final details of the Placing is expected to be made in due course.

The ticker for the Company's ordinary shares is PCIP. The Company's LEI is 213800TX34IQYMYES95.

For further information, please contact:

PCI-PAL PLC

Via Walbrook PR

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About PCI Pal:

PCI Pal is a leading provider of Software-as-a-Service ("SaaS") solutions that empower companies to take payments from their customers securely, adhere to strict industry governance, and remove their business from the significant risks posed by non-compliance and data loss. Our products secure payments and data in any business communications environment including voice, chat, social, email, and contact centre. We are integrated to, and resold by, some of the worlds' leading business communications vendors, as well as major payment service providers.

The entirety of our product-base is available from our global cloud platform hosted in Amazon Web Services, with regional instances across EMEA, North America, and ANZ. PCI Pal products can be used by any size organisation globally, and we are proud to work with some of the largest and most respected brands in the world.

For more information visit www.pcipal.com or follow the team on LinkedIn: <https://www.linkedin.com/company/pci-pal/>

IMPORTANT NOTICES AND DISCLAIMER

This Announcement has been issued by and is the sole responsibility of the Company. The person responsible or arranging for the release of this Announcement on behalf of the Company is William Good, Chief Financial Officer

This Announcement is not for publication or distribution, directly or indirectly, in or into the United States of America. This Announcement is not an offer of securities for sale into the United States. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States, except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States. 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 (as defined below)) to be published.

This Announcement is directed only at persons whose ordinary activities involve them in acquiring, holding, managing and disposing of investments (as principal or agent) for the purposes of their business and who have professional experience in matters relating to investment and who are: (a) if in a member state of the European Economic Area, "qualified investors" as defined in Article 2(e) of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**") ("**EU Qualified Investors**"); (b) if in the United Kingdom, "qualified investors" as defined in Article 2(e) of the EU Prospectus Regulation which forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**") who (i) fall within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), or (ii) fall within article 49(2)(a) to (d) of the Order; and (c) otherwise, to persons to whom it may otherwise be lawful to communicate it (all such persons together being referenced to as "**relevant persons**"). Any investment in connection with the Placing will only be available to, and will only be engaged with, relevant persons. Any person who is not a relevant person should not act or rely on this Announcement or any of its contents.

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 (as amended) (the "**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.

Cavendish Capital Markets Limited, 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 Cavendish 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 Cavendish by the FSMA or by the regulatory regime established under it, and except in the event of their committing fraud, neither Cavendish 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 Cavendish or any of its respective affiliates in connection with the Company, the Ordinary Shares or the Placing. Cavendish 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 Ordinary Shares in certain jurisdictions

may be restricted by law. No action has been taken by the Company or Cavendish 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 Cavendish to inform themselves about, and to observe, such restrictions. Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement should seek appropriate advice before taking any action.

This Announcement 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 or the negative thereof, 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 Cavendish 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 and value 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. Past performance is not a guide to future performance.

The new Ordinary 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.

This Announcement does not constitute a recommendation concerning any investor's options with respect to the Placing. Any investment decision to buy Ordinary Shares in the Placing must be made solely on the basis of publicly available information, which has not been independently verified by Cavendish. 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 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 of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any 'manufacturer' (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the new Ordinary Shares have been subject to a product approval process, which has determined that the new Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the "**UK Target Market Assessment**"). Notwithstanding the UK Target Market Assessment, distributors should note that: the price of the new Ordinary Shares may decline and investors could lose all or part of their investment; the new Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the new Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The UK Target Market Assessment is without

be able to bear any losses that may result therefrom. The UK Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the UK Target Market Assessment, the Bookrunner will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the UK Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; 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 new Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the new Ordinary Shares and determining appropriate distribution channels.

APPENDIX TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION FOR INVITED PLACEEES ONLY REGARDING THE PLACING.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING.

THIS ANNOUNCEMENT, INCLUDING THE TERMS AND CONDITIONS SET OUT HEREIN (THE "**ANNOUNCEMENT**") AND THE INFORMATION CONTAINED HEREIN ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (1) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA ("**EEA**"), "QUALIFIED INVESTORS" AS DEFINED IN ARTICLE 2(E) OF REGULATION (EU) 2017/1129 (THE "**EU PROSPECTUS REGULATION**") ("**EU QUALIFIED INVESTORS**"); (2) IF IN THE UNITED KINGDOM, "QUALIFIED INVESTORS" AS DEFINED IN ARTICLE 2(E) OF THE EU PROSPECTUS REGULATION, WHICH FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE "**UK PROSPECTUS REGULATION**") WHO (A) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**") (INVESTMENT PROFESSIONALS) OR (B) FALL WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER ("**UK QUALIFIED INVESTORS**") AND (3) OTHERWISE, TO PERSONS TO WHOM IT MAY OTHERWISE BE LAWFUL TO COMMUNICATE IT; (ALL SUCH PERSONS 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 TO SELL OR ISSUE OR THE SOLICITATION OF AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN PCI-PAL PLC.

THE PLACING SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES EXCEPT PURSUANT TO AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND, IN EACH CASE, IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE PLACING SHARES ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" WITHIN THE MEANING OF, AND IN ACCORDANCE WITH, REGULATIONS UNDER THE SECURITIES ACT AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS. NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE IN THE UNITED STATES OR ELSEWHERE.

THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS CONTAINED HEREIN ARE RESTRICTED AND ARE NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, THE REPUBLIC OF SOUTH AFRICA OR JAPAN OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD

BE UNLAWFUL.

The distribution of this Announcement and/or the Placing and/or issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, the Bookrunner 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 the Bookrunner to inform themselves about and to observe any such restrictions. Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement should seek appropriate advice before taking any action.

This Announcement or any part of it is for information purposes only and do 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, the Republic of South Africa or Japan 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.

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

Solely for the purposes of the product governance of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all distribution channels (the "**UK Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The UK Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the UK Target Market Assessment, Cavendish will only procure investors (pursuant to the Placing) who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the UK Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

This Announcement should be read in its entirety.

By participating in the Placing (such participation to be confirmed in a recorded telephone conversation with the Bookrunner), each Placee will be deemed to have read and understood this Announcement, including these Terms and Conditions, in its entirety, to be participating and acquiring Placing Shares on the terms and conditions contained in this Announcement and to be providing (and shall only be permitted to participate in the Placing on the basis that they have provided) the representations, warranties, indemnities, acknowledgements, agreements and undertakings contained in this Appendix.

In particular, each such Placee irrevocably represents, warrants, undertakes, agrees and acknowledges (amongst other things) to each of the Company and the Bookrunner that:

- o it is a Relevant Person and that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
- o in the case of any Placing Shares acquired by it within the United Kingdom 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 or to which the UK Prospectus Regulation otherwise applies other than UK Qualified Investors or in circumstances in which the prior consent of Cavendish has been given to the offer or resale; or (ii) where Placing Shares have been acquired by it on behalf of persons in the United Kingdom other than UK Qualified Investors, the offer of those Placing Shares to it is not treated under the UK Prospectus Regulation as having been made to such persons;
- o in the case of any Placing Shares acquired by it within the EEA 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 member state of the EEA or to which the EU Prospectus Regulation otherwise applies other than EU Qualified Investors or in circumstances in which the prior consent of Cavendish has been given to the offer or resale; or (ii) where Placing Shares have been acquired by it on behalf of persons in any member state of the EEA other than EU Qualified Investors, the offer of those Placing Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons;
- o it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in these Terms and Conditions;
- o 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 these Terms and Conditions; and
- o it (and any account referred to in paragraph 10 above) is located outside the United States and is acquiring the Placing Shares in offshore transactions as defined in and in accordance with Regulation S under the Securities Act.

No prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require any prospectus or other offering document to be published. No prospectus or other offering document has been or will be submitted to be approved by the Financial Conduct Authority ("**FCA**") in relation to the Placing or the Placing Shares. Placees' commitments will be made solely on the basis of their own assessment of the Company, the Placing and the Placing Shares based on the information contained in this Announcement and any information publicly announced through a Regulatory Information Service (as defined in the AIM Rules for Companies (the "**AIM Rules**")) by or on behalf of the Company on or prior to the date of this Announcement (the "**Publicly Available Information**") and subject to any further terms set forth in writing in any contract note sent to an individual Placee.

Each Placee, by participating in the Placing, agrees that the content of this Announcement are 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

any information (other than the publicly available information), representation, warranty or statement made by or on behalf of the Bookrunner or the Company or any other person and none of the Bookrunner, the Company nor any other person acting on such person's behalf nor any of their respective affiliates has or shall have any liability for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placee may have obtained or received. 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, including this Appendix, to be legal, tax, business or other advice. Each Placee should consult its own legal adviser, business adviser, financial adviser or tax adviser for legal, business, financial and tax advice. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Details of the Placing Agreement and the Placing Shares

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

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

Application for admission to trading

Application will be made to the London Stock Exchange for admission of the Placing Shares to trading on AIM.

It is expected that Admission will take place on or around 8.00 a.m. on 18 March 2024 and that dealings in the Placing Shares on AIM will commence at the same time.

Participation in and Principal terms of the Placing

- o Cavendish is acting as nominated adviser, bookrunner, financial adviser and broker to the Placing and as agent for and on behalf of the Company.
- o Participation in the Placing will only be available to persons who may lawfully be, and are, invited by the Bookrunner to participate. The Bookrunner and any of its affiliates are entitled to participate in the Placing as principal.
- o The price per Placing Share (the "Issue Price") is fixed at 56 pence and is payable to the Bookrunner (as agent for the Company on the Placing) by all Placees whose bids are successful.
- o Each Placee's allocation will be determined by the Bookrunner in its discretion following consultation with the Company and will be confirmed orally by the Bookrunner. The Bookrunner may choose to accept bids, either in whole or in part, on the basis of allocations determined following consultation with the Company and may scale down any bids for this purpose on such basis as it may determine. The Bookrunner may also (i) allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time; and (ii) allocate Placing Shares after the Bookbuild has closed to any person submitting a bid after that time. The Company reserves the right (upon the prior agreement of the Bookrunner) to reduce or seek to increase the amount to be raised pursuant to the Placing.
- o Each Placee's commitment will be confirmed in and evidenced by a recorded telephone call between representatives of the Bookrunner and the relevant Placee (the "Recorded Call"). This Announcement, including the terms and conditions set out in this Appendix, will be deemed incorporated into the contract which is entered into on the Recorded Call and will be legally binding on the relevant Placee(s) on behalf of whom the commitment is made with effect from the end of the Recorded Call and, except with the Bookrunner's prior written consent, will not be capable of variation or revocation after such time. Without prejudice to the foregoing, a contract note recording each Placee's commitment will be sent to them following the Recorded Call.

From the end of the relevant Recorded Call, each Placee will have an immediate contract

- o From the end of the relevant recorded call, each Placee will have an immediate, separate, irrevocable and binding obligation, owed to the Bookrunner (as agent for the Company), to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Issue Price and the number of Placing Shares such Placee has agreed to acquire and the Company has agreed to allot and issue to that Placee.
- o Except as required by law or regulation, no press release or other announcement will be made by the Bookrunner or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
- o Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the same time, on the basis explained below under "*Registration and settlement*".
- o All obligations under the Placing will be subject to fulfilment of the conditions referred to below under "*Conditions of the Placing*" and to the Placing not being terminated on the basis referred to below under "*Termination of the Placing*".
- o By participating in the Placing, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
- o To the fullest extent permissible by law and applicable FCA rules, neither:
 - (a) the Bookrunner;
 - (b) any of its affiliates, agents, advisers, directors, officers, consultants or employees; nor
 - (c) to the extent not contained within (a) or (b), any person connected with the Bookrunner as defined in the FSMA ((b) and (c) being together "affiliates" and individually an "affiliate" of the Bookrunner),

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

Registration and settlement

By participating in the Placing, each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed as directed by the Bookrunner in accordance with either the standing CREST or certificated settlement instructions which they have in place with the Bookrunner.

Settlement of transactions in the Placing Shares (ISIN: GB0009737155) following Admission will take place within the CREST system, subject to certain exceptions. Settlement through CREST will be on a delivery versus payment basis ("**DVP**") unless otherwise notified by the Bookrunner and is expected to occur on 18 March 2024 (the "**Settlement Date**"). However, in the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and the Bookrunner may agree that the Placing Shares should be issued in certificated form. The Bookrunner and the Company reserve the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as it deems necessary if delivery or settlement to Placees is not practicable within the CREST system or would not be consistent with regulatory requirements in the jurisdiction in which a Placee is located.

Interest is chargeable daily on payments not received from Placees on or before the due date in accordance with the arrangements set out above, in respect of either CREST or certificated deliveries, at the rate of 3 percentage points above prevailing base rate of Barclays Bank plc as determined by the Bookrunner.

Each Placee is deemed to agree that if it does not comply with these obligations, the Bookrunner may

Each Placee is deemed to agree that if it does not comply with these obligations, the Bookrunner may sell any or all of their Placing Shares on their behalf and retain from the proceeds, for the Bookrunner's own 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 Issue Price and for any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise (if any) upon the sale of its Placing Shares on its behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that, upon receipt, any relevant contract note is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to United Kingdom stamp duty or stamp duty reserve tax. If there are any other circumstances in which any stamp duty or stamp duty reserve tax or other similar taxes (and/or any interest, fines or penalties relating thereto) is payable in respect of the allocation, allotment, issue 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 the Bookrunner or the Company shall be responsible for the payment thereof.

Placees (or any nominee or other agent acting on behalf of a Placee) will not be entitled to receive any fee or commission in connection with the Placing.

Conditions of the Placing

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

The obligations of the Bookrunner under the Placing Agreement are, and the Placing is, conditional upon, *inter alia*:

- the warranties contained in the Placing Agreement ("Warranties") being true and accurate in all material respects and not misleading when made on the date of the Placing Agreement and at Admission by reference to the facts and circumstances subsisting at that time;
- the Company having fully performed its obligations under the Placing Agreement to the extent that they fall to be performed prior to Admission;
- the Bookrunner not having exercised its right to terminate the Placing Agreement;
- no matter arising that might give rise to a claim under the indemnity; and
- Admission having become effective at or around 8.00 a.m. on 18 March 2024 or such later time as the Bookrunner may agree with the Company but in any event no later than 8.00 a.m. on 31 March 2024 (the "Long Stop Date");

(all conditions to the obligations of the Bookrunner included in the Placing Agreement being together, the "**conditions**").

If any of the conditions is not fulfilled or, where permitted, waived in accordance with the Placing Agreement within the stated time periods (or such later time and/or date as the Company and the Bookrunner may agree), or the Placing Agreement is terminated in accordance with its terms, the Placing will lapse and the Placee's rights and obligations shall cease and terminate at such time and each Placee agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

The Bookrunner may, in its absolute discretion and upon such terms as it thinks fit, waive fulfilment of all or any of the conditions in the Placing Agreement in whole or in part, or extend the time provided for fulfilment of one or more conditions, save that certain conditions including the condition relating to Admission may not be waived. Any such extension or waiver will not affect Placees' commitments as set out in these Terms and Conditions.

None of the Bookrunner, the Company or any of their respective affiliates, agents, advisers, directors, officers or employees shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision any of them may make as to whether or not

detail of a Placee or otherwise) in respect of any decision any of them may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing or for any decision any of them may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of the Bookrunner.

By participating in the Placing, each Placee agrees that its rights and obligations cease and terminate only in the circumstances described above and under "*Termination of the Placing*" below and will not be capable of rescission or termination by it.

Termination of the Placing

The Bookrunner may, in its absolute discretion, by notice to the Company, terminate the Placing Agreement at any time up to Admission if, *inter alia*:

- any statement contained in any document or announcement issued or published by or on behalf of the Company in connection with the Placing ("Placing Documents") has become untrue or inaccurate in any material respect or misleading or any matter has arisen which would, if the Placing Documents were issued at that time, constitute a material omission from the Placing Documents or any of them or would otherwise render it untrue in any material respect or misleading;
- any of the Warranties was untrue or inaccurate in any material respect or misleading when made and/or that any of the Warranties has ceased to be true or accurate in any material respect or has become misleading at any time prior to Admission, in each case by reference to the facts and circumstances subsisting at that time;
- the Company is in breach of any provision of the Placing Agreement or otherwise fails to fully perform its obligations under the Placing Agreement; or
- there occurs a material adverse change in or an event having a serious adverse effect on the operations, properties, condition (financial or other), trading position or prospects or results of operations or general affairs of the Company (and its subsidiaries) taken as a whole such that in the reasonable opinion of the Bookrunner (acting in good faith) the Placing Shares cannot be placed successfully.

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

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

By participating in the Placing, each Placee agrees that its rights and obligations terminate only in the circumstances described above and under the "*Conditions of the Placing*" section above and will not be capable of rescission or termination by it at any time after the end of the Recorded Call confirming the relevant Placee's allocation and commitment in the Placing.

Representations, warranties and further terms

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

- o it has read and understood this Announcement, including this Appendix, in its entirety and that its

participation in the Bookbuild and the Placing and its acquisition of the Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Placing, the Company, the Placing Shares or otherwise, other than the information contained in this Announcement and the Publicly Available Information;

- o no offering document, prospectus or admission document has been or will be prepared in connection with the Placing and it has not received and will not receive a prospectus, admission document or other offering document in connection with the Placing or the Placing Shares;
- o it has the power and authority to carry on the activities in which it is engaged, to subscribe and/or acquire Placing Shares and to execute and deliver all documents necessary for such subscription and/or acquisition;
- o 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 and the Market Abuse Regulation (EU Regulation No. 596/2014 as it forms part of UK law as retained EU law as defined in, and by virtue of, the European Union (Withdrawal) Act 2018 ("UK MAR")), 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 (the "Exchange Information") and it has reviewed such Exchange Information as it has deemed necessary, 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;
- o it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial position and other aspects of the Company in accepting a participation in the Placing and neither the Bookrunner nor the Company nor any of their respective affiliates, agents, advisers, directors, officers or employees nor any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person other than the information in the Announcement or the Publicly Available Information; nor has it requested the Bookrunner, the Company, any of their respective affiliates, agents, advisers, directors, employees or officers or any person acting on behalf of any of them to provide it with any such information;
- o neither the Bookrunner nor any person acting on behalf of it nor any of its affiliates, agents, directors, officers or employees has or shall have any liability for any Publicly Available Information, or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for any fraudulent misrepresentation made by that person;
 - the only information on which it is entitled to rely on and on which it has relied in committing to acquire the Placing Shares is contained in this Announcement and the Publicly Available Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on this Announcement and the Publicly Available Information;
 - neither the Bookrunner nor any of their respective affiliates, agents, directors, officers or employees have made any representation or warranty to it, express or implied, with respect to the Company, the Placing or the Placing Shares or the accuracy, fairness, completeness or adequacy of this Announcement or the Publicly Available Information;
 - it has conducted its own investigation of the Company, the Placing and the Placing Shares, it has had access to such financial and other information concerning the Company, the Placing and the Placing Shares as it has deemed necessary in connection with its own investment decision to acquire any Placing Shares, it has satisfied itself that the information is still current and relied on that investigation for the purposes of its decision to participate in the Placing; and
 - it has not relied on any investigation that the Bookrunner or any person acting on its

behalf may have conducted with respect to the Company, the Placing or the Placing Shares;

- o the content of this Announcement and the other Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and that neither the Bookrunner nor any persons acting on its behalf is responsible for or has or shall have any liability for any information, representation, warranty or statement relating to the Company contained in this Announcement or the other Publicly Available Information nor will they be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or statement contained in this Announcement, the other Publicly Available Information or otherwise. Nothing in these Terms and Conditions shall exclude any liability of any person for fraudulent misrepresentation;
- o it has the funds available to pay for the Placing Shares which it has agreed to acquire and acknowledges and agrees that it will pay the total subscription amount in accordance with this Announcement, including this Appendix, by the due time and date set out herein, failing which the relevant Placing Shares may be placed with other Placees or sold at such price as the Bookrunner determines;
- o it and/or each person on whose behalf it is participating:
 - is entitled to acquire Placing Shares pursuant to the Placing under the laws and regulations of all relevant jurisdictions;
 - has fully observed such laws and regulations;
 - has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of Placing Shares and will honour such obligations; and
 - has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a Placee, all necessary consents and authorities to agree to the terms set out or referred to in this Announcement, including this Appendix) under those laws or otherwise and complied with all necessary formalities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto and, in particular, if it is a pension fund or investment company it is aware of and acknowledges it is required to comply with all applicable laws and regulations with respect to its acquisition of Placing Shares;
- o it is not, and any person who it is acting on behalf of is not, and at the time the Placing Shares are acquired will not be, a resident of, or with an address in, or subject to the laws of, Australia, Canada, the Republic of South Africa or Japan, and it acknowledges and agrees that the Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of Australia, Canada, the Republic of South Africa or Japan and may not be offered, sold, or acquired, directly or indirectly, within those jurisdictions;
- o it and the person(s), if any, for whose account and benefit it is subscribing for Placing Shares is, and at the time the Placing Shares are acquired will be, located outside the United States and acquiring the Placing Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S under the Securities Act;
- o it understands that the Placing Shares have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, transferred or delivered, directly or indirectly, in or into the United States except pursuant to an effective registration under the Securities Act, or pursuant to an exemption from the registration requirements of the Securities Act and, in each case, in accordance with applicable state securities laws; the Placing Shares will not be offered to the public in the United States and no representation is being made as to the availability of any exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;
- o it and the person(s), if any, for whose account and benefit it is subscribing for the Placing Shares is not acquiring the Placing Shares with a view to, or for offer or sale in connection with, any

distribution thereof (within the meaning of the Securities Act) that would be in violation of the securities laws of the United States or any state thereof;

- o it is not acquiring the Placing Shares as a result of any "directed selling efforts" (as such term is defined in Regulation S under the Securities Act);
- o it understands that 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, and further understands that this Announcement must not be acted on or relied on by persons who are not Relevant Persons;
- o it will not distribute, forward, transfer or otherwise transmit these Terms and Conditions and/or the 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;
- o none of the Bookrunner, its affiliates and any person acting on behalf of any of them is making any recommendations to it or advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of the Bookrunner and that the Bookrunner has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
- o it will make payment to the Bookrunner for the Placing Shares allocated to it in accordance with these Terms and Conditions on or by 18 March 2024 (or if later the date of Admission (provided that the date of Admission is no later than the Long Stop Date) as notified to it by the Bookrunner), failing which the relevant Placing Shares may be placed with others on such terms as the Bookrunner determines in its absolute discretion without liability to the Placee and it will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to the terms set out or referred to in this Announcement, including this Appendix) which may arise upon the sale of such Placee's Placing Shares on its behalf;
- o 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 the Bookrunner may call upon it to subscribe for a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;
- o no action has been or will be taken by any of the Company, the Bookrunner or any person acting on behalf of the Company or the Bookrunner that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;
- o the person who it specifies for registration as holder of the Placing Shares will be:
 - the Placee; or
 - a nominee of the Placee, as the case may be;
- o the Bookrunner and the Company will not be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to acquire Placing Shares pursuant to the Placing and agrees to indemnify the Company and the Bookrunner in respect of the same on the basis that the Placing Shares will be allotted to a CREST stock account of the Bookrunner or transferred to a CREST stock account of the Bookrunner who will hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions with it;

- o the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability;
- o it is a Relevant Person and it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;
- o it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom or in the EEA except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA or an offer to the public in the UK or any member state of the EEA within the meaning of the UK Prospectus Regulation and the EU Prospectus Regulation;
- o if within the United Kingdom, it is a UK Qualified Investor and it is a "professional client" or an "eligible counterparty" within the meaning of chapter 3 of the FCA's Conduct of Business Sourcebook;
- o any offer of Placing Shares may only be directed at persons in member states of the EEA who are EU Qualified Investors and represents and agrees that, in the EEA, it is such an EU Qualified Investor;
- o if within the United Kingdom it is 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 or to which the UK Prospectus Regulation otherwise applies other than to UK Qualified Investors, or in circumstances in which the prior consent of Cavendish has been given to the proposed offer or resale;
- o if within the EEA it is 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 member state of the EEA or to which the EU Prospectus Regulation otherwise applies other than to EU Qualified Investors, or in circumstances in which the prior consent of Cavendish has been given to the proposed offer or resale;
- o it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;
- o it has complied and it will comply with all applicable laws in any jurisdiction with respect to anything done by it or on its behalf in relation to the Placing Shares (including all relevant provisions of the FSMA in respect of anything done in, from or otherwise involving the United Kingdom);
- o if it has received any inside information (for the purposes of UK MAR and/or section 56 of the Criminal Justice Act 1993 or other applicable law) about the Company in advance of the Placing, it has not:
 - dealt (or attempted to deal) in the securities of the Company;
 - encouraged, recommended or induced another person to deal in the securities of the Company; or
 - unlawfully disclosed such information to any person, prior to the information being made publicly available;

- o neither the Bookrunner, the Company nor any of their respective affiliates, agents, advisers, directors, officers or employees nor any person acting on behalf of the Bookrunner or its affiliates, agents, directors, officers or employees is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing nor providing advice in relation to the Placing nor in respect of any representations, warranties, acknowledgements, agreements, undertakings, or indemnities contained in the Placing Agreement nor the exercise or performance of any of the Bookrunner's rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
- o the Bookrunner and its affiliates, acting as an investor for its or their own account(s), may bid or subscribe for and/or purchase Placing Shares and, in that capacity, may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in this Announcement, including in this Appendix, to the Placing Shares being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by, the Bookrunner and/or any of its affiliates acting as an investor for its or their own account(s). Neither the Bookrunner nor the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;
- o it:
 - has complied, and will comply, with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000 (as amended), the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017;
 - is not a person:
 - o with whom transactions are prohibited under the US Foreign Corrupt Practices Act of 1977 or any economic sanction programmes administered by, or regulations promulgated by, the Office of Foreign Assets Control of the U.S. Department of the Treasury;
 - o named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or
 - o subject to financial sanctions imposed pursuant to a regulation of the European Union or a regulation adopted by the United Nations or other applicable law,

(all such statutes, rules and regulations referred to in this paragraph together, the "**Regulations**") and if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and has obtained all governmental and other consents (if any) which may be required for the purpose of, or as a consequence of, such purchase, and it will provide promptly to the Bookrunner such evidence, if any, as to the identity or location or legal status of any person which it may request from it in connection with the Placing (for the purpose of complying with the Regulations or ascertaining the nationality of any person or the jurisdiction(s) to which any person is subject or otherwise) in the form and manner requested by the Bookrunner on the basis that any failure by it to do so may result in the number of Placing Shares that are to be acquired by it or at its direction pursuant to the Placing being reduced to such number, or to nil, as the Bookrunner may decide at its sole discretion;
- o in order to ensure compliance with the Regulations, the Bookrunner (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 the Bookrunner or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at the Bookrunner's absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at the Bookrunner's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request

for verification of identity the Bookrunner (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, either the Bookrunner 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;

- o it acknowledges that its commitment to acquire Placing Shares on the terms and conditions set out in this Announcement will continue notwithstanding any amendment that may in future be made to this Announcement 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 the Bookrunner's conduct of the Placing;
- o none of the monies advanced by it to satisfy its payment obligations in connection with the Placing are, or otherwise derive from, State Aid or a Risk Capital Investment;
- o it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of acquiring the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing. It has relied upon its own examination and due diligence of the Company and its affiliates taken as a whole, and the terms of the Placing, including the merits and risks involved and it has had sufficient time and access to information to consider and conduct its own investigation with respect to the offer and purchase of the Placing Shares, including the legal, regulatory, tax, business, currency and other economic and financial considerations relevant to such investment and has so conducted its own investigation to the extent it deems necessary for the purposes of its investigation;
- o it irrevocably appoints any duly authorised officer of the Bookrunner 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 which it agrees to acquire upon the these Terms and Conditions;
- o the Company, the Bookrunner and others (including each of their respective affiliates, agents, advisers, directors, officers and employees) will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements, which are given to the Bookrunner on its own behalf and on behalf of the Company and are irrevocable;
- o it is acting as principal only in respect of the Placing or, if it is acquiring the Placing Shares as a fiduciary or agent for one or more investor accounts, it is duly authorised to do so and it has full power and authority to make, and does make, the foregoing representations, warranties, acknowledgements, agreements and undertakings on behalf of each such accounts;
- o it undertakes to the Bookrunner at the time of making its commitment to acquire Placing Shares that it will confirm in writing to the Bookrunner in the contract note sent by the Bookrunner to Placees the number of Placing Shares it intends to acquire and in respect of which VCT or EIS relief will be sought and those Placing Shares in respect of which such relief will not be sought;
- o time is of the essence as regards its obligations under these Terms and Conditions;
- o 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 the Bookrunner;
- o the Placing Shares will be issued subject to this Announcement, including this Appendix and the Company's articles of association; and
- o this Announcement, including this Appendix and all documents into which this Announcement, including this Appendix, is incorporated by reference or otherwise validly forms a part and/or any agreements entered into pursuant to these terms and conditions and all agreements to acquire Placing Shares pursuant to the Placing will be governed by and construed in accordance with English law and it submits to the exclusive jurisdiction of the English courts in relation to any claim, dispute (contractual or otherwise) or matter 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 interest chargeable thereon) may be taken by the Company or the Bookrunner in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

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

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

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

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

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

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

When a Placee or any person acting on behalf of the Placee is dealing with the Bookrunner, any money held in an account with the Bookrunner 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 the Bookrunner's money in accordance with the client money rules and will be held by it under a banking relationship and not as trustee.

In this Announcement, including this Appendix, any words following the terms "**including**", "**include**", "**in particular**", "**for example**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

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

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

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

In this Announcement, "after-tax basis" means in relation to any payment made to the Company, the Bookrunner or their respective affiliates or their respective Representatives pursuant to this Announcement where the payment (or any part thereof) is chargeable to any tax, a basis such that the amount so payable shall be increased so as to ensure that after taking into account any tax chargeable (or which would be chargeable but for the availability of any relief unrelated to the loss, damage, cost, charge, expense or liability against which the indemnity is given on such amount (including on the increased amount)) there shall remain a sum equal to the amount that would otherwise have been so payable.

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

The price and value 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, including this Appendix.

Enterprise Investment Scheme (EIS) and Venture Capital Trusts (VCT)

The Company currently expects certain of the Placing Shares to be capable of satisfying the requirements for EIS relief. The Company also currently expects certain of the Placing Shares to be capable of constituting a qualifying holding for VCT purposes.

The status of such Placing Shares as a qualifying holding for VCT purposes will be conditional (amongst other things) on the qualifying conditions being satisfied throughout the period of ownership. The status of such Placing Shares as qualifying for EIS relief will be conditional (amongst other things) on the qualifying conditions being satisfied, both by the Company and (as regards those conditions to be met by the investor) the investor throughout a period of at least three years from the date of issue.

There can be no assurance that, and the directors nor the Company give any warranty or undertaking to the effect that, the Company will conduct its activities in a way that will secure or retain qualifying status for VCT and/or EIS purposes (and indeed circumstances may arise where the directors of the Company believe that the interests of the Company's group are not served by seeking to retain such status). Further, the conditions for VCT and EIS relief are complex and relevant investors are recommended to seek their own professional advice before investing. This paragraph is without prejudice to any separate comfort letters which may have been given by the Company to certain EIS and/or VCT investors in connection with the Placing.

DEFINITIONS

The following definitions apply to this Announcement, including this Appendix:

Admission	admission of the Placing Shares to trading on AIM becoming effective within the meaning of Rule 6 of the AIM Rules for Companies issued by London Stock Exchange
AIM	AIM, a market operated by the London Stock Exchange
Bookrunner	Cavendish (as defined below), the Company's Bookrunner in relation to the Placing
Cavendish	Cavendish Capital Markets Limited registered in England and Wales under number 06198898 whose registered office is at 1 Bartholomew Close, London, England, EC1A 7BL (together with its affiliates), and for the purpose of trade settlement in the Placing shall mean Cavendish Securities plc registered in England and Wales under number 05210733
Company	PCI-PAL PLC registered in England and Wales under number 03869545 whose registered office is at 7 Gamma Terrace, Ransomes Europark, Ipswich, Suffolk IP3 9FF
CREST	the computerised settlement system to facilitate transfer of the title to an interest in securities in uncertificated form operated by Euroclear
EIS	the enterprise investment scheme, as particularised in Part 5 of the Income Tax Act 2007
Euroclear	Euroclear UK & International Limited
FSMA	the Financial Services and Markets Act 2000, as amended
Issue Price	56 pence per Placing Share
ITA	Income Tax Act 2007
London Stock Exchange	London Stock Exchange plc
Ordinary Shares	ordinary shares of £0.01 each in the capital of the Company
Placees	persons who agree to subscribe for Placing Shares at the Issue Price (including any individuals, funds or others on whose behalf a commitment to acquire Placing Shares is given)
Placing	the conditional placing of the Placing Shares by the Bookrunner on behalf of the Company at the Issue Price, in accordance with the Placing Agreement
Placing Agreement	the conditional placing agreement relating to the Placing of the Placing Shares between the Company and the Bookrunner
Placing Shares	up to 6,250,000 new Ordinary Shares to be issued in connection with the Placing
Regulation S	Regulation S under the Securities Act
Risk Capital Investment	means an investment from an investor who: (a) is a venture capital trust (as defined in Part 6 of the ITA); or (b) has claimed, or is intending to claim, tax relief on that investment under

	the Seed Enterprise Investment Scheme (under Part 5A of the ITA) or the Enterprise Investment Scheme (under Part 5 of the ITA) or Social Investment Tax Relief (under Part 5B of the ITA)
Securities Act	the U.S. Securities Act of 1933, as amended
Shareholders	holders of Ordinary Shares
State Aid	means any aid, investment, grant or loan which was received by the recipient pursuant to a measure approved by the European Commission as compatible with Article 107 of the Treaty on the Functioning of the European Union in accordance with the principles laid down in the European Commission's Guidelines on State aid to promote risk finance investments (as those guidelines may be amended or replaced from time to time)
VCT	venture capital trusts

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