

THIS SECURITIES NOTE, THE REGISTRATION DOCUMENT (INCLUDING THE 1<sup>ST</sup> SUPPLEMENTARY REGISTRATION DOCUMENT) AND THE SUMMARY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from an independent financial adviser who specialises in advising on shares or other securities and who is authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) or, if you are not resident in the UK, from another appropriately authorised independent financial adviser in your own jurisdiction.

This Securities Note, the Registration Document, and the Summary together comprise a prospectus (“Prospectus”) relating to Kelso Group Holdings plc (formerly Insight Business Support plc, the “Company”) prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (“FCA”) made pursuant to section 73A of FSMA. This document has been approved as a Securities Note by the FCA, as competent authority under the Prospectus Regulation (as defined below). The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK version of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (“Prospectus Regulation”). Such approval should not be considered as an endorsement of the Company that is the subject of this document. Investors should make their own assessment as to the suitability of investing in the securities.

This Securities Note has been issued in connection with the issue of up to 120,000,000 Ordinary Shares of GBP 0.01 of Kelso Group Holdings plc. Applications will be made to the FCA and the London Stock Exchange for all of the Shares of the Company, issued and to be issued, to be admitted to the standard segment of the Official List and to trading on the London Stock Exchange’s main market. It is expected that Admission will become effective and that dealings for normal settlement in the Ordinary Shares issued pursuant to the Placing will commence on 31 May 2023. All dealings in the Ordinary Shares will be at the sole risk of the parties concerned. The Ordinary Shares will not be dealt in on any other recognised investment exchange and no other such applications have been made or are currently expected.

The Company and its Directors, whose names appear on page 14 of this Securities Note accept responsibility for the information contained in this Document. To the best of the knowledge of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in the Document is in accordance with the facts and the document makes no omission likely to affect its import.

## **KELSO GROUP HOLDINGS PLC**

Registered in England and Wales No. 11504186 and incorporated on 7th August 2018

### **Securities Note**

**Proposed Placing and Admission of up to 120,000,000 Ordinary Shares of GBP 0.01 each to the Official List (by way of Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange’s main market for listed securities.**

The information contained in this Document has been prepared solely for the purpose of Admission and is not intended to be relied upon by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and accordingly no duty of care is accepted in relation to them. The New Ordinary Shares will rank in full for all dividends or other distributions hereafter declared, made or paid on the ordinary share capital of the Company and will rank *pari passu* in all other respects with all other Ordinary Shares in issue on Admission.

This Document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer or invitation to buy or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

The Ordinary Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Ordinary Shares may not be offered, sold, resold, transferred or distributed directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States, Australia, Canada, Japan or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. This Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States.

The Company has not been and will not be registered under the US Investment Company Act pursuant to the exemption provided by Section 3(c)(7) thereof, and investors will not be entitled to the benefits of that Act.

*None of the Ordinary Shares have been approved or disapproved by the United States Securities and Exchange Commission (the “SEC”), any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon or endorsed the merit of the offer of the Ordinary Shares or the accuracy or the adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.*

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## RISK FACTORS

Investment in the Company should not be regarded as short-term in nature and involves a degree of risk. Accordingly, investors should consider carefully all of the information set out in this document and the risks attaching to an investment in the Company including, in particular, the risks described below.

The Directors believe that the risks described below are the material risks relating to an investment in the Shares at the date of this Securities Note. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem immaterial at the date of this Securities Note, may also have an adverse effect on the performance of the Company and the value of the Ordinary Shares. Investors should review this Securities Note, as well as the information contained in the Registration Document (including the section entitled “Risk Factors”), carefully and in its entirety and consult with their professional advisers before making an application to invest in the Shares.

***The proposed Standard Listing of the Placing Shares will afford investors a lower level of regulatory protection than a Premium Listing***

Application will be made for the Placing Shares to be admitted to a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules. A Standard Listing does not permit the Company to gain a FTSE indexation, which may have an adverse effect on the valuation of the Ordinary Shares.

The Company may be unable to transfer to a Premium Listing or other appropriate listing venue following an Acquisition or Minority Acquisition, including the acquisition of 5,000,000 shares in THG plc and any other shares in THG plc on completion of the Transaction.

The Company is not currently eligible for a Premium Listing and does not currently intend to seek to transfer to either a Premium Listing or other listing venue. Even if the Company did determine to seek a transfer to a Premium Listing there is no guarantee that it would be able to fulfil the relevant eligibility criteria.

The Company is therefore not obliged to comply with the higher standards of corporate governance or other requirements which it would be subject to upon achieving a Premium Listing and, for as long as the Company continues to have a Standard Listing, it will be required to continue to comply with the lesser standards applicable to a company with a Standard Listing.

**If the Company proposes making an Acquisition or Minority Acquisition and the FCA determines that there is insufficient information in the market about the Acquisition, Minority Acquisition or the target, the Company’s Ordinary Shares may be suspended from listing and may not be readmitted to listing thereafter, which will reduce liquidity in the Ordinary Shares potentially for a significant period of time, and may adversely affect the price at which a shareholder can sell them.**

Any Acquisition or Minority Acquisition is likely to be treated as a Reverse Takeover (within the meaning given to that term in the Listing Rules).

Generally, when a Reverse Takeover is announced or disclosed prior to announcement, there will be insufficient publicly available information in the market about the proposed transaction and the listed company will be unable to assess accurately its financial position and inform the market appropriately. In this case, the FCA will often consider that suspension of the listing of the listed company’s securities will be appropriate. The London Stock Exchange will suspend the trading in the listed company’s securities if the listing of such securities has been suspended. However, if the FCA is satisfied that there is sufficient publicly available information about the proposed transaction it may agree with the listed company that a

suspension is not required. The FCA will generally be satisfied that a suspension is not required in the following circumstances:

- (a) the target company is admitted to listing on a regulated market or another exchange where the disclosure requirements in relation to financial information and inside information are not materially different than the disclosure requirements under the Disclosure Guidance and Transparency Rules; or
- (b) the issuer is able to fill any information gap at the time of announcing the terms of the transaction, including the disclosure of relevant financial information in relation to the target and a description of the target.

If information regarding a significant proposed transaction was to be inadvertently disclosed to the market, or the Board considered that there were good reasons for announcing the transaction at a time when it was unable to provide the market with sufficient information regarding the impact of any Acquisition or Minority Acquisition on its financial position, the Ordinary Shares may be suspended. Any such suspension would be likely to continue until sufficient financial information on the transaction was made public. Depending on the nature of the transaction (or proposed transaction) and the stage at which it is leaked or announced, it may take a substantial period of time to compile the relevant information, particularly where the target does not have financial or other information readily available which is comparable with the information a listed company would be expected to provide under the Disclosure Guidance and Transparency Rules and the Listing Rules (for example, where the target business is not itself already subject to a public disclosure regime), and the period during which the Ordinary Shares would be suspended may therefore be significant.

Furthermore, the Listing Rules provide that the FCA will generally seek to cancel the listing of a listed company's securities when it completes a Reverse Takeover. In such circumstances, the Company may seek the admission to listing either simultaneously with completion of any such acquisition or as soon thereafter as is possible. Upon any application for readmission, the Company would have to satisfy the FCA that the enlarged business meets the eligibility requirements for Admission (including the Listing Principles in LR 7.2.1) and there is no guarantee that such admission would be granted.

A suspension or cancellation of the listing of the Company's Ordinary Shares would materially reduce liquidity in such Ordinary Shares, which may affect an investor's ability to realise some or all of its investment and/or the price at which such investor can affect such realisation.

The Listing Rules on Reverse Takeovers do not apply where the target company has a listing with the same category of listing as the issuer, and therefore do not apply to the Company's acquisition of interests in THG plc.

**There is currently a limited market for the Ordinary Shares, notwithstanding the Company's existing Ordinary Shares being admitted to trading on the London Stock Exchange. A market for the Ordinary Shares may not develop, which would adversely affect the liquidity and price of the Ordinary Shares.**

Since there is currently a limited market for the Ordinary Shares therefore, investors have little benefit from information about prior market history when making their decision to invest. The price of the Ordinary Shares after issue can also vary due to a number of factors, including but not limited to, general economic conditions and forecasts, the Company's general business condition and the release of its financial reports. Although the Company's current intention is that its securities should continue to trade on the London Stock Exchange, there is no assurance that it will always do so. In addition, an active trading market for the Ordinary Shares may not develop or, if developed, may not be maintained. Investors may be unable to sell their Ordinary Shares unless a market can be established and maintained, and if the Company subsequently obtains a listing on an exchange in addition to, or in lieu of, the London Stock Exchange, the level of liquidity of the Ordinary Shares may decline.

Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable. Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of shareholders and this factor may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile Ordinary Share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the Issue Price.

**The Company may issue a substantial number of Ordinary Shares in the future to continue to pursue its strategy, which could result in an adverse effect to the value or proportion of voting rights held by existing shareholders.**

The Company will seek to disapply the pre-emption rights for shareholders contained in the Articles, as follows:

- (a) generally, for such purposes as the Directors may think fit (including in respect of any allotment of equity securities which are, or are to be wholly or partly paid up otherwise than in cash or as consideration for an acquisition), for the issuance of Ordinary Shares in an aggregate nominal amount not exceeding GBP 1,835,050;
- (b) for the purposes of the issue of securities for cash up to an amount equal to GBP 1,835,050 but subject to the Directors having a right to make such exclusions or other arrangements in connection with the offering as they deem necessary or expedient:
  - (c) to deal with equity securities representing fractional entitlements; and
  - (d) to deal with legal or practical problems in the laws of any territory, or the requirements of any regulatory body, on the basis that the above authorities shall expire at the conclusion of the next annual general meeting of the Company, save that the Company shall be entitled to make an offer or agreement which would or might require equity securities to be issued pursuant to those authorities before the expiry of its power to do so, and the Directors shall be entitled to issue or sell from treasury the equity securities pursuant to any such offer or agreement after that expiry date and provided further that the Directors may sell, as they think fit, any equity securities from treasury.

Any issuance of Ordinary Shares may:

- (a) significantly dilute the value of the Ordinary Shares held by existing shareholders;
- (b) cause a Change of Control if a substantial number of Ordinary Shares are issued, which may, among other things, result in the resignation or removal of one or more of the Directors; and result in its then existing shareholders becoming the minority;
- (c) in certain circumstances, have the effect of delaying or preventing a Change of Control;
- (d) subordinate the rights of holders of Ordinary Shares if preferred shares are issued with rights senior to those of Ordinary Shares; or
- (e) adversely affect the market price of the Company's Ordinary Shares.

If Ordinary Shares are issued as consideration for an Acquisition or Minority Acquisition or, as it is more likely, for the purposes of raising funds to finance such consideration, existing shareholders will, if necessary, be asked to vote to disapply any pre-emptive rights they have with regard to the securities that are issued (to the extent that the same have not already been disapplied pursuant to the resolutions referred to above or any resolutions that may be passed subsequently). The issuance of such Ordinary Shares could materially dilute the value of the Ordinary Shares held by existing shareholders. Where a target company has an existing large shareholder, an issue of Ordinary Shares as consideration may result in such shareholder subsequently holding a significant or majority stake in the Company, which may, in turn, enable it to exert significant influence over the Company (to a greater or lesser extent depending on the size of its holding) and could lead to a Change of Control.

**An Acquisition or Minority Acquisition may result in adverse tax, regulatory or other consequences for Shareholders which may differ for individual Shareholders depending on their status and residence.**

It is possible that any acquisition structure determined necessary by the Company to consummate any Acquisition or Minority Acquisition, including the Transaction, may have adverse tax, regulatory or other consequences for Shareholders which may differ for individual Shareholders depending on their individual status and residence.

**Dividend payments on the Ordinary Shares are not guaranteed and the Company does not intend to pay dividends for the foreseeable future**

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends at such times (if any) and in such amounts (if any) as the Board may determine. The Company's current intention is to retain any earnings for use in its business operations and the Company does not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends to the extent that to do so is in accordance with all applicable laws.

**Changes in tax law may reduce any net returns for shareholders**

The tax treatment of shareholders of Ordinary Shares issued by the Company, and any company which the Company may acquire are all subject to changes in tax laws or practices in the UK or any other relevant jurisdiction. Any change may reduce any net return derived by shareholders from an investment in the Company.

**Post-admission trading**

The Founder Shares were issued at a price of GBP 0.01 per Ordinary Shares as detailed in paragraph 3 of Part V of this document, 39,025,000 Ordinary Shares were issued at a price of GBP 0.02 on 30 June 2021, and a further 150,000,000 Ordinary Shares were issued at a price of GBP 0.02 on 24 January 2023. The estimated net asset value following Admission (of the Placing Shares) will be approximately GBP 0.019 per share. The premium to net asset value (pre-Placing) of approximately 47.1% per New Ordinary Share, places an intangible value on the strategy proposed by the Board and the experience comprised by the Board, as well as reflecting the costs incurred in achieving the Placing, the and Admission. There can be no guarantee that the Ordinary Shares will be valued on the same basis used for the Placing and following Admission and the price of the Ordinary Shares may fall.

**CONSEQUENCES OF A STANDARD LISTING**

Application will be made for the Placing Shares to be admitted to the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings.

The Company complies with the Listing Principles set out in Chapter 7 of the Listing Rules at Listing Rule 7.2.1 which apply to all companies with their securities admitted to the Official List. In addition, the Company

also complies with the Listing Principles at Listing Rule 7.2.1A notwithstanding that they only apply to companies which obtain a Premium Listing on the Official List. With regards to the Listing Principles at 7.2.1A, the Company is not, however, formally subject to such Listing Principles and is not required to comply with them by the FCA.

Listing Rule 14.3 sets out the continuing obligations applicable to companies with a Standard Listing and requires that such companies' listed equity shares must be admitted to trading on a regulated market at all times. Such companies must have at least 10 per cent of the shares of any listed class in public hands at all times and the FCA must be notified as soon as possible if these holdings fall below that level.

The continuing obligations under Chapter 14 also include requirements as to:

- The forwarding of circulars and other documentation to the National Storage Mechanism and related notification to a RIS;
- The provision of contact details of appropriate persons nominated to act as a first point of contact with the FCA in relation to compliance with the Listing Rules and the Disclosure Guidance and Transparency Rules;
- The form and content of temporary and definitive documents of title;
- The appointment of a registrar;
- Notifying a RIS in relation to changes to equity and debt capital; and
- Compliance with, in particular, Chapters 4, 5 and 6 of the Disclosure Guidance and Transparency Rules.

In addition, as a Company with a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor on Admission;
- Chapter 9 of the Listing Rules regarding the continuing obligations that an issuer with a premium listing of equity shares is required to comply with, once its shares have been admitted to the Official List;
- Chapter 10 of the Listing Rules relating to significant transactions. It should be noted that the Company will not be required to seek Shareholder consent at a general meeting for an Acquisition, which constitutes a Reverse Takeover, unless required by the City Code. Shareholder consent is not required under Listing Rule 10 as the Company is not seeking a Premium Listing;
- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a "related party transaction" as defined in Chapter 11 of the Listing Rules without the specific prior approval of a majority of the Directors and (if required by the Act) the approval from shareholders;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2.; and



- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

The Company is not currently eligible for a Premium Listing under Chapter 6 of the Listing Rules and does not currently intend to seek to transfer to either a Premium Listing or other listing venue. Should the Company determine to seek a transfer to a Premium Listing there is no guarantee that it would be able to fulfil the relevant eligibility criteria.

**It should be noted that the FCA will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply. However, the FCA would be able to impose sanctions for non-compliance where the statements regarding compliance in this Document are themselves misleading, false or deceptive.**

## **IMPORTANT INFORMATION**

### **Content of this document**

In deciding whether or not to invest in Ordinary Shares prospective investors should rely only on the information contained in the Prospectus which consists of the Registration Document (including the 1<sup>st</sup> Supplementary Registration Document), this Securities Note and the Summary document. No person has been authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Directors. Without prejudice to the Company's obligations under the FSMA, the Prospectus Regulation Rules, Listing Rules, Disclosure Guidance and Transparency Rules and the Market Abuse Regulation ("**MAR**"), neither the delivery of this document nor any offer made under this document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information contained herein is correct as at any time after its date.

Prospective investors must not treat the contents of this document or any subsequent communications from the Company, the Directors, or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

The Summary document should be read as an introduction to the Prospectus. Any decision to invest in the Ordinary Shares should be based on a consideration of this document as a whole by the investor. In particular, investors must read the Summary headed "What are the key risks that are specific to the issuer?" of the Summary together with the risks set out in the section headed "Risk Factors" set out on page 4 to 8 of this document.

Any reproduction or distribution of this document in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Ordinary Shares hereby is prohibited.

This document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer or invitation to subscribe for or buy, Ordinary Shares by any person in any jurisdiction:

- (a) in which such offer or invitation is not authorised;
- (b) in which the person making such offer or invitation is not qualified to do so; or

- (c) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation.

The distribution of this document and the offering of Ordinary Shares in certain jurisdictions may be restricted. Accordingly, persons outside the United Kingdom who obtain possession of this document are required by the Company and the Directors to inform themselves about, and to observe any restrictions as to the offer or sale of Ordinary Shares and the distribution of, this document under the laws and regulations of any territory in connection with any applications for Ordinary Shares including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Company or the Directors that would permit a public offering of the Ordinary Shares in any jurisdiction where action for that purpose is required nor has any such action been taken with respect to the possession or distribution of this document other than in any jurisdiction where action for that purpose is required.

Neither the Company nor the Directors accept any responsibility for any violation of any of these restrictions by any other person.

### **The Ordinary Shares**

The Ordinary Shares have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Ordinary Shares and Options may not be, offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, within, into or in the United States, Australia, Canada or Japan or to any national, resident or citizen of the United States, Australia, Canada or Japan.

The Ordinary Shares have not been approved or disapproved by the SEC, any federal or state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Ordinary Shares or confirmed the accuracy or determined the adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

Investors may be required to bear the financial risk of an investment in the Ordinary Shares for an indefinite period. Prospective investors are also notified that the Company may be classified as a passive foreign investment company for United States federal income tax purposes. If the Company is so classified, the Company may, but is not obliged to, provide to US holders of Ordinary Shares the information that would be necessary in order for such persons to make a qualified electing fund election with respect to the Ordinary Shares for any year in which the Company is a passive foreign investment company.

### **Available information**

The Company is not subject to the reporting requirements of section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (“**Exchange Act**”). For so long as any Ordinary Shares are “restricted securities” within the meaning of Rule 144(a)(3) of the Securities Act, the Company will, during any period in which it is neither subject to section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) provide, upon written request, to shareholders and any owner of a beneficial interest in Ordinary Shares or any prospective purchaser designated by such holder or owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

### **Data protection**

The Company may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- (a) verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- (b) carrying out the business of the Company and the administering of interests in the Company;
- (c) meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere; and
- (d) disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- (a) disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and
- (b) transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the United Kingdom.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

### **Investment considerations**

In making an investment decision, prospective investors must rely on their own examination, analysis and enquiry of the Company, this document, and the terms of the Admission, including the merits and risks involved. The contents of this document are not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Investors should inform themselves as to:

- (a) The legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares;
- (b) Any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and
- (c) The income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares or distributions by the Company, either on a liquidation and distribution or otherwise. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objective will be achieved.

It should be remembered that the price of the Ordinary Shares and any income from such Ordinary Shares, can go down as well as up.

This document should be read in its entirety before making any investment in the Ordinary Shares. All shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Memorandum and Articles of Association of the Company, which investors should review.

### **Forward-looking statements**

This Document includes statements that are, or may be deemed to be, “forward-looking statements”. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “targets”, “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will”, “should” or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the document and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, among other things: (i) the Company’s objective, acquisition and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future deal flow and implementation of active management strategies, including with regard to any Acquisition or Minority Acquisition. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performances. The Company’s actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this document. In addition, even if the Company’s actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to:

- (a) The Company’s ability to identify suitable acquisition opportunities or the Company’s success in completing an Acquisition or Minority Acquisition (including the Transaction);
- (b) The Company’s ability to ascertain the merits or risks of the operations of target company or business;
- (c) The Company’s ability to deploy the Net Proceeds on a timely basis;
- (d) The availability and cost of equity or debt capital for future transactions;
- (e) Currency exchange rate fluctuations, as well as the success of the Company’s hedging strategies in relation to such fluctuations (if such strategies are in fact used); and
- (f) Legislative and/or regulatory changes, including changes in taxation regimes.

Prospective investors should carefully review the “Risk Factors” on pages 4 to 8 for a discussion of additional factors that could cause the Company’s actual results to differ materially, before making an investment decision.

Forward-looking statements contained in this document apply only as at the date of this document and do not in any way qualify the working capital statement contained in paragraph 5.1 of **Part III Additional Information**. Subject to any obligations under the Listing Rules, the Disclosure Guidance and Transparency Rules, MAR and the Prospectus Regulation Rules, the Company undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

### **Currency presentation**

Unless otherwise indicated, all references in this document to GBP are to the lawful currency of the UK.

**No incorporation of website**

The contents of any website of the Company or any other person do not form part of this document.

**Definitions**

A list of defined terms used in this document is set out in “Definitions of Terms” in PART V of this document.

**Governing Law**

Unless otherwise stated, statements made in this document are based on the law and practice currently in force in England and Wales and subject to changes in relation to thereto.

**DEALING CODES**

ISIN: GB00BK1VJS23

SEDOL: BK1VJS2

EPIC/TIDM: KLSO

**DIRECTORS AND ADVISORS**

<b>Role</b>	<b>Name</b>	<b>Address</b>
Directors	John Howard Goold Gordon Alan Harvey Mark Adrian Kirkland Jamie Brooke Sir Nigel Knowles	Eastcastle House, 27-28 Eastcastle Street, London, United Kingdom, W1W 8DH
Broker	Zeus Capital Limited	82 King Street, Manchester, M2 4WQ
Reporting accountants	RPG Crouch Chapman LLP Chartered Accountants	5 <sup>th</sup> Floor, 14-16 Dowgate Hill, London, EC4R 2SU
Auditors	Royce Peeling Green Limited Chartered Accountants	The Copper Room, Deva Business Centre, Trinity Way, M3 7BG
Solicitors	King and Spalding International LLP	125 Old Broad Street, London, EC2N 1AR
Bankers	HSBC UK Bank Plc	126, The Parade, Leamington Spa, Warwickshire CV32 4AJ
Registrar	Share Registrars Limited	3 The Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX
Registered office	Kelso Group Holdings PLC	Eastcastle House, 27-28 Eastcastle Street, London, United Kingdom, W1W 8DH
Company Secretary	MSP Corporate Services Limited	27-28, Eastcastle Street, London, United Kingdom, W1W 8DH

## EXPECTED TIMETABLE

	<b>Time and Date</b>
Publication of this document	12 May 2023
AGM to be held	24 May 2023
Issue of Placing Shares	31 May 2023
Admission and commencement of dealings in Ordinary Shares	08.00 on 31 May 2023
Delivery of Ordinary Shares into Crest	08.00 on 31 May 2023
Ordinary Share certificates despatched no later than	14 June 2023

The dates and times specified are subject to change without further notice. Any changes to the expected Admission timetable will be notified by the Company through a Regulatory Information Service.

## STATISTICS

<b>Statistics</b>		<b>Amount</b>
Number of Shares in issue pre-Admission		197,525,000
Number of Placing Shares		120,000,000
Number of Ordinary Shares in issue following Admission		317,525,000
Offer Price	GBP	0.025
Maximum Admission Costs	GBP	200,000
Minimum Admission Cost	GBP	150,000
Net Proceeds of Placing receivable by the Company	GBP	2,800,000
Maximum funds available to the Company (being the net proceeds raised by the Placing, together with existing capital reserves)	GBP	3,383,379

## **PART I – INFORMATION ABOUT THE PLACING**

### **1. Description of the Investment**

Under the Placing 120,000,000 New Ordinary Shares will be issued to prospective investors at the Offer Price of GBP 0.025 for each Ordinary Share. The gross proceeds of the Placing, conditional upon Admission, are GBP 3,000,000 subject to commission and other estimated fees and expenses of between GBP 150,000 and GBP 200,000. No expenses are charged to the investor.

After deduction of such fees and expenses the Net Proceeds to the Company will amount to between approximately GBP 2,800,000 and GBP 2,850,000. If Admission does not proceed all subscription monies will be returned to the prospective investors.

The Placing Shares are being made available to fewer than 150 investors in the UK, subject to the terms and conditions of the Placing set forth in Part VI of this Securities Note. The terms and conditions of application should be read carefully before an application is made. Subscribers should consult their independent financial adviser if they are any doubt about the contents of the Prospectus or the acquisition of Ordinary Shares.

Admission and completion of the Placing will be announced via a regulatory information service and is expected to take place at 08.00 on 31 May 2023.

### **2. Admission, Dealings and CREST**

The Placing is conditional on Admission occurring on or before 30 March 2024 or such later date as may be agreed by the Directors and the Company.

Admission is expected to take place and unconditional dealings in the New Ordinary Shares are expected to commence on the London Stock Exchange at 08.00 on 31 May 2023. Dealings on the London Stock Exchange before Admission will only be settled if Admission takes place. All dealings in New Ordinary Shares prior to commencement of unconditional dealings will be at the sole risk of the parties concerned.

The expected date for electronic settlement of such dealings will be 31 May 2023. All dealings between the commencement of conditional dealings and the commencement of unconditional dealings will be on a “when issued basis”. If the Placing does not become unconditional in all respects, any such dealings will be of no effect and any such dealings will be at the risk of the parties concerned.

Where applicable, definitive share certificates in respect of the Ordinary Shares to be issued pursuant to the Placing are expected to be dispatched by post at the risk of the recipients, to the relevant holders, not later than 14 June 2023. The Ordinary Shares are in registered form and can also be held in uncertificated form. Prior to the dispatch of definitive share certificates in respect of any Ordinary Shares which are held in certificated form, transfers of those Ordinary Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.

### **3. Placing and Pricing**

All Ordinary Shares issued pursuant to the Placing will be issued at GBP 0.025 per share. Conditional upon Admission occurring and becoming effective by 08.00 on or prior to 30 March 2024 each Subscriber agrees to become a member of the Company and agrees to subscribe for Ordinary Shares on the terms set out in the application form. To the fullest extent permitted by law, Subscribers will not be entitled to rescind their agreement at any time. In the event that Admission does not become effective by 08.00 on or prior to 30 March 2024, the Admission will not proceed, and Subscribers will receive a full refund of monies subscribed.



The rights attaching to the Placing Shares will be uniform in all respects and all of the Ordinary Shares will form a single class for all purposes. The shares being offered by the Company under the Placing have the following rights:

*As regards income:*

Holders of Ordinary Shares are entitled to receive all dividends and other distributions made, paid or declared by the Company after allotment and issue pari passu and equally with each other and with existing Ordinary Shares.

*As regards capital:*

On a winding-up or other return of capital, the holders of Ordinary Shares are entitled to share in any surplus assets pro rata to the amount paid up on their Ordinary Shares.

*As regards voting and general meetings:*

Each Ordinary Share carries the right to receive notice of and to attend and/or vote at any general meeting of the Company.

*As regards redemption:*

The Ordinary Shares are not redeemable.

*As regards conversion:*

The Ordinary Shares have no conversion rights.

The Placing Shares are priced at a premium to net asset value (pre-Placing) of approximately 47.1%. The net asset value reflects the cash balances of the Company plus the interests held in THG plc by the Company as at 28 February 2023. The premium to net asset value places an intangible value on the strategy proposed by the Board and the experience comprised by the Board, as well as reflecting the costs incurred in achieving the Placing and Admission. The net asset value at the last interim balance sheet, prior to this Placing was GBP 0.017 per share.

#### **4. Use of Proceeds**

The Net Proceeds of the Placing will be used to pay the legal, advisory fees and regulatory fees of the Placing and Admission. It is the Company's intention to use the balance of Net Proceeds to fund the working capital of the Company, and the professional fees and other transaction costs in respect of completing a Transaction.

The Net Proceeds should be sufficient to carry out the required due diligence and to facilitate the Company's ability to complete a Transaction, or to provide additional working capital.

#### **5. Reasons for the Placing and use of proceeds**

The Placing is being made to provide the Company with the resources to undertake its strategy of making a Minority Acquisition and building its interest in any target entity to which a Minority Acquisition has already been made, by facilitating completion of a Transaction.

The resources of the Company as at 31<sup>st</sup> December 2022 were GBP 332,971. The resources of the Company as at 28<sup>th</sup> February 2023 (unaudited) were GBP 583,379. The Company is of the opinion that, taking into account the Net Proceeds, the working capital available to the Company is, for at least the next twelve months from the date of this document, sufficient for its present requirements. The Net Proceeds

available to the Company will be between GBP 2,800,000 and GBP 2,850,000. Following the Placing and taking into account the Net Proceeds, together with the existing capital reserves, the resources available to the Company will be GBP 3,383,379, which will be used to fund the costs in respect of the Transaction, including legal, technical and operational evaluation.

## **6. Selling Restrictions**

The Ordinary Shares will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the USA and may not be taken up, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within into or in the US.

The Placing is being made by means of offering New Ordinary Shares to a select group of fewer than 150 investors in the UK. The Company has not been and will not be registered under the US Investment Company Act, and Investors will not be entitled to the benefits of that Act.

Certain restrictions that apply to the distribution of this document and the Ordinary Shares being issued pursuant to the Placing in certain jurisdictions are described in PART IV - NOTICE TO INVESTORS on pages 31 to 32 of this document.

## **7. Transferability**

The Company's Ordinary Shares are freely transferable and tradable and there are no restrictions on transfer, other than the conditions imposed by lock in arrangements.

## **PART II – TAXATION**

The following section is a summary guide to certain aspects of taxation in the UK. This is not a complete analysis of all the potential tax effects of acquiring, holding and disposing of Ordinary Shares in the Company, nor will it relate to the specific tax position of all shareholders in all jurisdictions. This summary is not a legal opinion or advice. Any person who is in any doubt as to his/her tax position, or who is subject to taxation in any jurisdiction other than that of the UK, should consult his/her tax advisers.

### **1. Taxation in the UK**

The following summary is intended as a general guide only and relates only to certain limited aspects of UK tax consequences of holding and disposing of Ordinary Shares in the Company. It is based on current UK tax law and the current practice of HMRC, both of which are subject to change, possibly with retrospective effect.

Any person who is in doubt as to his/her tax position, or who is resident or otherwise subject to taxation in a jurisdiction outside the UK, should consult his/her tax advisers immediately.

### **2. Taxation of Dividends**

Any UK resident individual Shareholder who receives a dividend paid by the Company will be liable to UK income tax on the gross amount of any such dividend. Dividend income from the Company will be treated as forming the highest part of a Shareholder's income.

Dividend income received by UK tax resident individuals currently has a £1,000 dividend tax allowance for 2023/24. Dividend receipts in excess of £1,000 will be taxed at 8.75% for basic rate taxpayers, 33.75% for higher rate taxpayers, and 39.35% for additional rate taxpayers.

The UK government announced on 17 November 2022 that it will reduce the dividend tax allowance from £2,000 to £1,000 from April 2023, and to £500 from April 2024.

Trustees of UK resident discretionary trusts will pay tax at basic rates to the extent the trusts income falls within the standard rate band, normally the standard rate band is £1,000 but will depend on the number of trusts set up by the same settlor. If the trust's income falls within this band then the trustees will be taxed at 8.75%. Any dividends above the available standard rate band will be taxed at the additional dividend rate of 39.35%.

Trustees of Income in Possession Trusts will pay tax at 8.75% on any dividends received, unless the trust's income is mandated to the beneficiary, in which case the beneficiary will pay the tax due at the rates set out above.

Shareholders who are within the charge to UK corporation tax will be subject to corporation tax on dividends paid by the Company, unless the dividends fall within an exempt class and certain other conditions are met. Whether an exempt class applies and whether the other conditions are met will depend on the circumstances of the particular shareholder, although it is expected that the dividends paid by the Company would normally be exempt.

Shareholders who are not resident in the UK for tax purposes should consult their own advisers concerning their tax liabilities on dividends received.

### **3. Chargeable Gains**

For the purpose of UK tax on chargeable gains, the amounts paid by a shareholder for New Ordinary Shares will generally constitute the base cost of his/her holdings in each type of security. If a shareholder who is resident in the UK (for UK tax purposes) disposes of all or some of his/her New Ordinary Shares, a liability

to tax on chargeable gains may arise. This will depend on the base cost which can be allocated against the proceeds, the shareholder's circumstances and any reliefs to which they are entitled.

The rate of capital gains tax payable by an individual on disposal of Ordinary shares by basic rate taxpayers is 10%, and for higher rate and additional rate taxpayers is 20%.

Subject to certain exemptions, the corporation tax rate applicable to a company's taxable profits is currently 19%. From 1 April 2023, the corporation tax main rate will be increased to 25% applying to profits over £250,000. A small profits rate will also be introduced for companies with profits of £50,000 or less so that they will continue to pay corporation tax at 19%. Companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate.

Trustees of all trusts will be liable to capital gains tax at the rate of 20% on any chargeable gain, due regard having been given to the costs of acquisition of the shares together with any incidental costs of acquisition or disposal. A trustee is also entitled to deduct the annual exemption at £3,000. The above rates and allowances relate to the 2023/24 tax year.

Shareholders who are not resident in the UK for tax purposes may not, depending on their personal circumstances, be liable to UK taxation on chargeable gains arising from the sale or other disposal of their New Ordinary Shares (unless they carry on a trade, profession or vocation in the UK through a branch or agency or, in the case of a company, a permanent establishment with which their New Ordinary Shares are connected).

Individual shareholders or holders who are temporarily neither UK resident may be liable to UK capital gains tax on chargeable gains realised on their return to the UK.

#### **4. Stamp Duty and Stamp Duty Reserve Tax ("SDRT")**

The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or SDRT, or to persons connected with depository arrangements or clearance services, who may be liable at a higher rate.

In relation to stamp duty and SDRT:

- (a) The allocation and issue of the New Ordinary Shares will not give rise to a liability to stamp duty or SDRT;
- (b) Any subsequent conveyance or transfer on sale of Shares will usually be subject to stamp duty on the instrument of transfer at a rate of 0.5 per cent of the amount or value of the consideration (rounded up, if necessary, to the nearest £5). An exemption from stamp duty is available on an instrument transferring shares where the amount or value of the consideration is £1,000 or less, and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions in respect of which the aggregate amount or value of the transaction exceeds £1,000. A charge to SDRT at the rate of 0.5 per cent will arise in relation to an unconditional agreement to transfer such shares. However, where within six years of the date of the agreement (or, if the agreement was conditional, the date the agreement became unconditional) an instrument of transfer is executed pursuant to the agreement and stamp duty is paid on that instrument, any liability to SDRT will be cancelled or repaid; and
- (c) A transfer of shares effected on a paperless basis through CREST (where there is a change in the beneficial ownership of the shares) will generally be subject to SDRT at the rate of 0.5 per cent of the value of the consideration given.

**This summary of UK taxation issues can only provide a general overview of these areas and it is not a description of all the tax considerations that may be relevant to a decision to invest in the Company. The summary of certain UK tax issues is based on the laws and regulations in force as of the date of this Prospectus and may be subject to any changes in UK law occurring after such date. Legal advice should be taken with regard to individual circumstances. Any person who is in any doubt as to his/her tax position or where he/she is resident, or otherwise subject to taxation, in a jurisdiction other than the UK, should consult his/her professional adviser.**

## **PART III – ADDITIONAL INFORMATION ABOUT THE COMPANY**

### **1. The Company**

- 1.1. The Company was incorporated and registered in England and Wales as a private limited company on 7th August 2018 under the Companies Act 2006 with the name Insight Business Support Limited and with registered number 11504186. On 11 March 2019, the Company was re-registered as a public limited company with the name Insight Business Support plc. On 22 November 2022 the Company changed its name to Kelso Group Holdings plc.
- 1.2. The Company's legal entity identifier (LEI) is 213800K4RRUZLUE5GC02
- 1.3. The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares have been created, is the Act. The Company has since the date of its incorporation operated in conformity with its constitution.
- 1.4. The Company is subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the FCA), to the extent that such rules apply to a company with a Standard Listing pursuant to Chapter 14 of the Listing Rules.
- 1.5. The Company's registered office and principal place of business in the United Kingdom is Eastcastle House, 27-28 Eastcastle Street, London, United Kingdom, W1W 8DH, and the telephone number of the Company is +44 207 637 5216. The registrars of the Company are Share Registrars Limited who will be responsible for maintaining the register of members of the Company.
- 1.6. On 30 January 2019, the Company adopted the Articles in substitution for the Company's then existing articles of association.
- 1.7. As at the date of Admission, the Company has the following subsidiaries, both of which are dormant companies:
  - 1.7.1. Kelso Ltd (CRN: 14522975); and
  - 1.7.2. Kelso 1 Limited (CRN: 14486596).

### **2. Share capital**

- 2.1. The Company was incorporated with an issued share capital comprising of 2 Ordinary Shares of GBP 0.01 each. Since incorporation, the following changes have been made to the issued share capital:
  - 2.1.1. on 7th August 2018, the 2 subscriber shares were paid up for cash at GBP 0.01 per share;
  - 2.1.2. on 30 January 2019 8,499,998 Ordinary Shares were issued for cash at GBP 0.01 per share;
  - 2.1.3. on 30 June 2021, 39,025,000 Ordinary Shares were issued for cash at GBP 0.02 per share;
  - 2.1.4. on 24 January 2023, 150,000,000 Ordinary Shares were issued for cash at GBP 0.02 per share.

- 2.2. It is proposed that 120,000,000 Ordinary Shares will be issued and allotted under (and subject to the conditions of) the Placing, at a price of GBP 0.025 per share.
- 2.3. The issued share capital of the Company at the date of this document, not including Placing Shares, is as follows:

<b>Issued (fully paid)</b>	<b>Number</b>	<b>Nominal value</b>
Ordinary Shares	197,525,000	£1,975,250

Immediately following the Placing and Admission, the Company's issued share capital will be:

<b>Issued (fully paid)</b>	<b>Number</b>	<b>Nominal value</b>
Ordinary Shares	317,525,000	£3,175,250

- 2.4. Since incorporation, the following resolutions have been passed in general meeting:
- 2.4.1. on 9 November 2018:
- 2.4.1.1 an ordinary resolution to grant the Directors general authority to allot securities in accordance with section 551 of the Companies Act up to the aggregate nominal amount of £250,000, such authority to expire on 31 December 2019;
- 2.4.1.2 a special resolution to grant the Directors specific authority to allot securities for cash in accordance with section 570 of the Companies Act up to an aggregate nominal amount of £250,000, such authority to expire on 31 December 2019.
- 2.4.2. on 30 January 2019:
- 2.4.2.1 a special resolution that the Company be re-registered as a public limited company under the name Insight Business Support plc;
- 2.4.2.2 a special resolution to adopt the Articles as summarised in paragraph 5 below;
- 2.4.2.3 an ordinary resolution to grant the Directors general authority to allot securities in accordance with section 551 of the Companies Act up to an aggregate nominal amount of GBP 1,500,000, such authority to expire on the earlier of the annual general meeting to be held in 2019 or 15 months from the date of the resolution;
- 2.4.2.4 a special resolution to grant the Directors specific authority to allot securities for cash in accordance with section 570 of the Companies Act up to an aggregate nominal amount of £1,500,000, such authority to expire on the earlier of the annual general to be held in 2019 or 15 months from the date of the resolution.
- 2.4.3. on 23 March 2020:

2.4.3.1 an ordinary resolution to renew the Directors general authority to allot securities in accordance with section 551 of the Companies Act up to the aggregate nominal amount of £1,500,000, such authority to expire on the earlier of the annual general meeting to be held in 2021 or 15 months from the date of the resolution;

2.4.3.2 a special resolution to renew the Directors specific authority to allot securities for cash in accordance with section 570 of the Companies Act up to an aggregate nominal amount of £1,500,000, such authority to expire on the earlier of the annual general meeting to be held in 2021 or 15 months from the date of the resolution.

2.4.4. On 25 May 2021:

2.4.4.1 an ordinary resolution to grant the Directors general authority to allot securities in accordance with section 551 of the Companies Act up to an aggregate nominal amount of «AA20»1,500,000, for the period ending on the earlier of the annual general meeting to be held in 2022 or 15 months from the date of the resolution;

2.4.4.2 a special resolution to grant the Directors specific authority to allot securities for cash in accordance with section 570 of the Companies Act up to an aggregate nominal amount of «AA20»1,500,000, for the period ending on the earlier of the annual general to be held in 2022 or 15 months from the date of the resolution.

2.4.5. On 17 June 2022:

2.4.5.1 an ordinary resolution approving the audited financial statements of the Company for the year ended 31 December 2021;

2.4.5.2 an ordinary resolution re-appointing RPG Crouch Chapman LLP as auditors of the Company;

2.4.5.3 an ordinary resolution authorizing the directors to determine the remuneration of the auditors;

2.4.5.4 an ordinary resolution re-appointing Gordan Alan Harvey as a director of the Company;

2.4.5.5 an ordinary resolution re-appointing John Howard Goold as a director of the Company;

2.4.5.6 an ordinary resolution to grant the Directors general authority to allot securities in accordance with section 551 of the Companies Act up to an aggregate nominal amount of «AA20»1,500,000, for the period ending on the earlier of the annual general meeting to be held in 2023 or 15 months from the date of the resolution;

2.4.5.7 a special resolution to grant the Directors specific authority to allot securities for cash in accordance with section 570 of the Companies Act up to an aggregate nominal amount of «AA20»1,500,000, for the period ending on the earlier of the annual general to be held in 2023 or 15 months from the date of the resolution.



- 2.5. The Share Republic.com Limited holds 1,500,000 Options.
- 2.6. The Ordinary Shares are in registered form and are capable of being held in uncertificated form.
- 2.7. The existing Ordinary Shares, the Placing Shares will rank in full for all dividends or other distributions hereafter declared, made or paid on the ordinary share capital of the Company and will rank pari passu in all other respects with all other Ordinary Shares in issue on Admission.
- 2.8. Save as disclosed in this document:
- 2.8.1.1 no share or loan capital of the Company has been issued or is proposed to be issued;
- 2.8.1.2 no person has any preferential subscription rights for any shares in the Company;
- 2.8.1.3 no share or loan capital of the Company is unconditionally to be put under option;
- 2.8.1.4 no commissions, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan capital of the Company.
- 2.8.1.5 the Company does not have in issue any securities not representing share capital; and
- 2.8.1.6 there are no outstanding convertible securities issued by the Company.
- 2.9. Application will be made for the Placing Shares to be listed and traded on the Official List by means of a Standard Listing. A Standard Listing affords investors in the Company a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, which are subject to additional obligations under the Listing Rules.

### 3. Directors' and others' interests

- 3.1. Save as disclosed below, none of the Directors nor any member of their immediate families has or will have on or following Admission any interests (beneficial or non-beneficial) in the capital of the Company:

Name	Ordinary Shares Pre-Admission (1)	% (2)	Ordinary Shares Post-Admission (3)	% (4)
John Howard Goold	19,750,000	10.00	39,750,000	12.52
Mark Adrian Kirkland	6,000,000	3.04	6,200,000	1.95
Jamie Brooke	12,500,000	6.33	20,500,000	6.46
Sir Nigel Knowles	-	-	1,000,000	0.31
David Charters	-	-	200,000	0.06

- (1) These are holdings beneficially held by the Directors as at the date of this document.
- (2) percentage of existing Ordinary Shares in issue
- (3) These are holdings beneficially held by the Directors following admission.
- (4) percentage on Admission.

3.2. Save as disclosed in paragraph 3.1 above and this paragraph 3.2, the Company is not aware of any interest in the Company's ordinary share capital which amounts or would, upon Admission, amount to 3 per cent. or more of the Company's issued ordinary share capital:

Name	No of existing Ordinary Shares	% prior to Admission	No of Ordinary Shares on Admission	% on Admission
Jason Walker	6,000,000	3.04	22,000,000	6.93
Martin Bolland	6,000,000	3.04	10,000,000	3.15
Roger MacDowell	6,000,000	3.04	10,000,000	3.15
Umar Kamani	6,000,000	3.04	10,000,000	3.15
Killik & Co	6,000,000	3.04	9,600,000	3.02
Nigel Wray	7,500,000	3.80	7,500,000	2.36
Gavin Petken	6,250,000	3.16	6,250,000	1.97
Luke Johnson	6,000,000	3.04	6,000,000	1.89
David Poutney	6,000,000	3.04	6,000,000	1.89
Paul Hogarth	6,000,000	3.04	6,000,000	1.89
Edward Woodward	6,000,000	3.04	6,000,000	1.89

3.3. As at the date of this document, the Company was not aware of any persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company, nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

3.4. Those interested, directly or indirectly, in 3 per cent. or more of the issued Ordinary Shares of the Company do not now, and following the Placing and Admission, will not have different voting rights from other holders of Ordinary Shares.

#### 4. Takeovers

##### *City Code*

4.1. The City Code applies to the Company. Under Rule 9 of the City Code, if:

- 4.1.1. a person acquires, whether by a series of transactions over a period of time or not, an interest in shares in the Company which, when taken together with shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or
- 4.1.2. a person who, together with persons acting in concert with him, is interested in not less than 30 per cent and not more than 50 per cent of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested,

the acquirer and, depending upon the circumstances, his concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares by the acquirer or his concert parties during the previous 12 months.

#### *Squeeze out rules*

- 4.2. Under the Companies Act, an offeror in respect of a takeover offer for the Company has the right to buy out minority shareholders (holders of shares to which the offer relates, who have not accepted the offer), once the offeror has acquired (or unconditionally contracted to acquire) not less than 90 per cent of the shares to which the offer relates, within certain time limits and subject to serving requisite notices upon such minority shareholders. The consideration offered to shareholders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

#### *Sell out rules*

- 4.3. Under the Companies Act, where a takeover offer relates to all the shares in a company, any holder of shares to which the offer relates who has not accepted the offer can require the offeror to acquire those shares if, at any time before the end of the period within which the offer could be accepted, the offeror has acquired (or unconditionally contracted to acquire) not less than 90 per cent of the shares to which the offer relates, within certain time limits and subject to the service of requisite notices. The offeror is required to give any shareholder notice of his right to be bought out, within one month of that right arising.

If a Shareholder exercises his rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

#### *Public takeover bids*

- 4.4. There have been no public takeover bids for the Company since its incorporation.

### **5. Additional financial information**

#### *Working capital*

- 5.1. The Company is of the opinion that, taking into account the Net Proceeds, the working capital available to the Company is, for at least the next twelve months from the date of this document, sufficient for its present requirements.

#### *Capitalisation and Indebtedness*

5.2. The following tables show the capitalisation and indebtedness of the Company as at 28 February 2023

**Capitalisation and indebtedness**

	As at 28 February 2023 (unaudited) £
<b>Total current debt</b>	
Guaranteed	-
Secured	-
Unguaranteed/unsecured	9,173
	<hr/>
	<b>9,173</b>
 <b>Total non- current debt</b>	
Guaranteed	-
Secured	-
Unguaranteed/unsecured	9,173

**Shareholders' Equity**

	As at 28 February 2023 (unaudited) £
Share capital	1,975,250
Share premium	1,696,249
Retained earnings	(397,697)
<b>TOTAL</b>	<b>3,273,802</b>

**The following sets out the net financial indebtedness of the Company as at 28 February 2023**

	As at 28 February 2023 (unaudited) £
<b>Net indebtedness</b>	
Trade and other receivables	52,798
Cash and cash equivalents	583,379
Trading securities	-
<b>Total liquidity</b>	<b>636,177</b>
<b>Current financial receivable</b>	<b>636,177</b>

Current bank debt	-
Trade and other payables	259,375
Other current financial debt	-
<b>Current financial debt</b>	<b>376,802</b>
<b>Net cash</b>	<b>583,379</b>
Non-current bank loans	-
Bonds issued	-
Other non-current financial debt	-
<b>Non-current financial indebtedness</b>	<b>-</b>
<b>Total net Cash</b>	<b>583,379</b>

#### *Sources of cash, liquidity and cash uses*

5.3. The Company has not yet started to generate revenue.

The Company's initial source of cash was subscribed by the Founders. Since then, it has raised further cash via two offers for subscription on 30 June 2021 and 24 January 2023. It has used such cash to fund the ongoing costs and expenses, including costs and fees incurred in relation to an aborted acquisition, a placing and admission of 150,000,000 Ordinary Shares, and the acquisition by the Company of an interest in 8.0 million shares in THG plc, consisting of ordinary shares and interests by way of CFDs. The Company will use the Net Proceeds and its existing capital reserves to fund ongoing costs and expenses and the costs and expenses to be incurred in connection with any future Transaction.

The Company expects to incur further costs for legal and other professional fees as it builds on implementing its strategy following the acquisition of interests in shares in THG plc.

Consideration for any further acquisitions may be satisfied by new shares issued by the Company, and the Company might therefore issue a substantial number of new Ordinary Shares.

## **6. Litigation**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) since incorporation which may have or have had in the recent past a significant effect on the financial position or profitability of the Company.

## **7. Related Party Transactions**

In the period since the date of incorporation up to the date of this document, the Company has not entered into any related party transactions, save for (i) the issue of the Options described in paragraph 7.3 of Part IV of the Registration Document; and (ii) a loan of up to £5,500 and £2,500 from Jon Pither and Gordon Harvey respectively (as described in paragraph 7.5 of Part IV of the Registration Document). Both of these loans have been repaid to each of those individuals.

## **8. General**

- (a) The Company does not conduct research and development. Further there are no patents or other intellectual property rights, licences or particular contracts which are of fundamental importance to the Company's business. As a consequence, the Company does not engage any technical staff other than the Directors.
- (b) The Company has an interest in 5,234,000 ordinary shares in THG plc by way of a contract for difference.
- (c) The Company has not had any employees since its incorporation and does not own any premises.
- (d) No exceptional factors have influenced the Company's activities.
- (e) Zeus is acting as broker to the Company and has given and not withdrawn its consent to the inclusion in this document of its name and references to it in the form and context in which they appear.
- (f) The expenses of the Admission to the Official List are estimated at a maximum of GBP 200,000 and a minimum of GBP 150,000 including VAT and are payable by the Company.

## **9. Availability of documents**

- (a) Copies of the following documents may be inspected at the registered office of the Company during usual business hours on any day (except Saturdays, Sundays and public holidays) from the date of this document until Admission:
  - (b) the memorandum and articles of association of the Company;
  - (c) the auditors report a copy of which is set out in the Annual Report which is incorporated by reference into the 1<sup>st</sup> Supplementary Registration Document.

In addition, this document will be published in electronic form and be available on the Company's website at [www.kelsopl.com](http://www.kelsopl.com), subject to certain access restrictions applicable to persons located or resident outside the United Kingdom.

- (d) Following Admission, copies of this document may be collected, free of charge, during normal business hours, from the registered office of the Company.

Dated: 12 May 2023

## **PART IV - NOTICE TO INVESTORS**

The distribution of this document may be restricted by law in certain jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

### **1. General**

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This document does not constitute an offer to subscribe for any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

This Prospectus has been approved by the FCA as the competent authority under UK Prospectus Regulation. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer, nor the quality of the securities, that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

No arrangement has, however, been made with the competent authority in any other EEA member state (or any other jurisdiction) for the use of this document as an approved Prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this document may be prohibited in countries other than those in relation to which notices are given below. This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for, or buy, shares in any jurisdiction in which such offer or solicitation is unlawful.

No Ordinary Shares have been offered or will be offered pursuant to the Offers to the public in the United Kingdom prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the FCA, except that Ordinary Shares may be offered to the public at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or
- (c) in any other circumstances falling within section 86 of FSMA,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to section 85 of FSMA and each person who initially acquires any Ordinary Shares or to whom any offer is made under the Offers will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of Article 2 of the UK Prospectus Regulation.

For these purposes, the expression "an offer to the public" in relation to any offer of Ordinary Shares in the United Kingdom means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares and the expression the "UK Prospectus Regulation" means Regulation (EU) 2017/1129 (as amended), as it form part of domestic law by virtue of the European Union

(Withdrawal) Act 2018.

## **2. For the Attention of Non UK Investors**

None of the Ordinary Shares have been or will be registered under the laws of Canada, Japan, the Republic of South Africa, Australia or under the US Securities Act or with any securities regulatory authority of any state or other political subdivision of the United States, Canada, Japan, the Republic of South Africa or Australia. Accordingly, unless an exemption under such act or laws is applicable, the Ordinary Shares may not be offered, sold or delivered, directly or indirectly, within Canada, Japan, the Republic of South Africa, Australia or the United States (subject to limited exceptions) (as the case may be). If you subscribe for Ordinary Shares you will, unless the Company and the registrar agree otherwise in writing, be deemed to represent and warrant to the Company that you are not a US Person or a resident of Canada, Japan, the Republic of South Africa, Australia or a corporation, partnership or other entity organised under the laws of the US or Canada (or any political subdivision of either) or Japan, the Republic of South Africa or Australia and that you are not subscribing for such Ordinary Shares for the account of any US Person or resident of Canada, Japan, the Republic of South Africa or Australia and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the Ordinary Shares in or into the United States, Canada, Japan, or Australia or to any US Person or resident of Canada, Japan, the Republic of South Africa or Australia (subject to limited exceptions). No application will be accepted if it shows the applicant or a payor having an address in the United States, Canada, Japan, the Republic of South Africa or Australia (subject to limited exceptions).

## **3. For the Attention of European Economic Area Investors**

This document does not constitute a prospectus for the purposes of any offer of shares in any EEA member state and has not been approved by a competent authority in any EEA member state for the purposes of Regulation (EU) 2017/1129. Accordingly, the Placing Shares may only be offered to persons in any EEA member state who are “qualified investors” within the meaning of the EU Prospectus Regulation or in other circumstances in which a prospectus is not required by the EU Prospectus Regulation.

The distribution of this Prospectus in other jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions.

## **4. For the attention of UK Investors**

This document, the Registration Document and Summary comprise a Prospectus relating to the Company prepared in accordance with the Prospectus Regulation Rules and approved by the FCA under section 87A of FSMA. This document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.



## PART V - DEFINITIONS OF TERMS

<b>Terms</b>	<b>Definition</b>
1 <sup>st</sup> Supplementary Registration Document	the supplementary registration document to the registration document dated 18 January 2023 published by the Company.
Acquisition	the acquisition by the Company or by any subsidiary thereof of a company or businesses or assets. (Acquisition or Acquisitions shall be construed to mean either or both a reference to a company and/or a business) whether specifically mentioned or not.
Act	the Companies Act 2006 (as amended).
Admission	the admission of the Ordinary Shares to trading on an Recognised Investment Exchange for listed securities (e.g. the main market of the London Stock Exchange).
Admission to Listing	admission of securities to the official list.
Admission to trading	admission of securities to trading on a Regulated Investment Exchange's (RIE) market for listed securities.
Agreed Market	a recognised stock exchange or other regulated stock market on which it is agreed between the Directors and the Financial Adviser that the Ordinary Shares shall be quoted or listed.
Articles	means the articles of association, or the statutes or bye-laws of a company analogous to the articles of association (a UK term).
Board	the board of directors of the Company from time to time.
Change of Control	following an Acquisition or Minority Acquisition, the acquisition of Control of the Company by any person or party (or any group of persons or parties who are acting in concert).
City Code	The City Code on Takeovers and Mergers.
Company	KELSO GROUP HOLDINGS PLC incorporated with number 11504186.
Control	an interest, or interests, in shares carrying in aggregate of 30 per cent or more of the voting rights of a company, irrespective of whether such interest or interests give de facto control.
QCA Corporate Governance Code	the Corporate Governance Code for Small and Mid-Size Quoted Companies issued by the Quoted Companies Alliance from time to time.
Director(s)	all persons listed as Directors on page 14 of this document.
EEA	The European Economic Area.
Enlarged Share Capital	the issued share capital of the Company following the Placing.
Equivalent Market	a Recognised Investment Exchange or any multilateral trading

	facility providing investor protection and liquidity at least equivalent to the Agreed Market.
EU Prospectus Regulation	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 and repealing Directive 2003/71/EC.
FATCA	Foreign Account Tax Compliance Act of the United States of America.
FCA	the UK Financial Conduct Authority.
Founder	an individual who is an initial shareholder subscribing for Shares at the initial price, prior to the production of a Prospectus and the further issue of Shares at a higher price.
Founder Directors	at least three and up to six individuals who serve as directors of the Company and take responsibility for the Prospectus.
Founder Shares	the total number of Ordinary Shares which are held by the Founders.
FSMA	the Financial Services and Markets Act 2000.
Funds Available to the Company	the funds received in relation to the Placing, together with the existing capital reserves, prior to the date hereof less any expenses paid or payable in connection with Admission and the incorporation of the Company.
General Meeting	a general meeting of the shareholders of the Company from time to time.
Group	the Company and its subsidiaries from time to time.
Issue Price or Offer Price	GBP 0.025 per share, being the price at which Ordinary Shares are proposed to be issued pursuant to the Prospectus.
Listed or Listing	included in the Official List of the FCA.
Listing Rules	The Listing Rules made by the FCA under Part VI of the FSMA.
LSE	London Stock Exchange plc.
Main Market	the regulated market of the London Stock Exchange for officially listed securities.
MAR	the UK version of the EU Market Abuse Regulation (2014/596/EU) (incorporated into UK law by virtue of the European Union (Withdrawal) Act 2018) and the relevant provisions of the EU Market Abuse Regulation (2014/596/EU).
Minority Acquisition	the acquisition by the Company or by any subsidiary thereof of a minority stake in a company or businesses or assets (Minority Acquisition or Minority Acquisitions shall be construed to mean either or both a reference to a company and/or a business), including the Transaction, whether specifically mentioned or not.

Money Laundering Legislation	all relevant legislation and regulations relating to money laundering and terrorist financing.
Net Proceeds	the funds received in relation to the Placing, less any expenses payable in connection with Admission of the Company.
New Ordinary Shares	120,000,000 New Ordinary Shares to be allotted and issued pursuant to the Placing.
Official List	Official List of the FCA.
Option(s)	an option to subscribe for Ordinary Shares.
Ordinary Shares	Ordinary shares of GBP 0.01 each in the Company, including the Ordinary Shares in issue at the date of this document, the Placing Shares.
Placees	persons who agree conditionally to subscribe for the Placing Shares pursuant to the Placing in accordance with the Terms and Conditions.
Placing	the placing of up to 120,000,000 New Ordinary Shares at the Offer Price, further details of which are set out in Part VI Section A of this document.
Placing Shares	the New Ordinary Shares in the capital of the Company which will be issued, subject to Admission, and allotted to subscribers, pursuant to the Placing.
Premium Listing	a Premium Listing under Chapter 6 of the Listing Rules.
Prospectus Regulation	the UK version of 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 and repealing Directive 2003/71/EC which is part of UK law by virtue of the European Union (Withdrawal) Act 2018.
Prospectus Regulation Rules	the Prospectus Regulation Rules made by the FCA under Part VI of the FSMA.
Receiving Agent	Share Registrars Limited whose details appear on page 14 "Directors and Advisers".
Registration Document	registration document referred to in article 6(3) of the Prospectus Regulation, that can form part of a 3 part prospectus, primarily providing information about an issuer's business, and any supplementary registration document, including the 1 <sup>st</sup> Supplementary Registration Document.
Reverse Takeover	a transaction defined as a reverse takeover under Chapter 10 of the Listing Rules.
RIS	a Regulatory Information Service.

Securities Note	a securities note referred to in article 6(3) of the Prospectus Regulation, which forms part of a 3 part prospectus, primarily providing details of the securities being issued, or proposed to be issued.
Share or Shares	an Ordinary Share in the capital of the Company.
SME	small and medium-sized enterprises - as defined in EU law (European Commission Recommendation 2003/361/EC of 6 May 2003. Official Journal L 124 of 20.05.2003).
Standard Listing	a Standard Listing under Chapter 14 of the Listing Rules.
Subscribers	those persons who have completed and signed subscription letters and application forms under the Placing and paid the subscription price.
Summary	the summary included in the Prospectus that is included either as Summary at the beginning of a single Prospectus or as a separate document in a 3 part Prospectus that includes a Registration document, Securities Note and Summary.
Transaction	means the acquisition of shares, or an interest in shares, in THG plc.
Voting Rights	all the voting rights attributable to the capital of a company which are currently exercisable at a general meeting.
Zeus	Zeus Capital Limited.

## PART VI – TERMS AND CONDITIONS OF THE PLACING

### SECTION A – DETAILS OF THE PLACING

The Placing is being made on and pursuant to the terms of an announcement by the Company dated 30 March 2023 (the "**Placing Announcement**"), which are further described below.

Persons who are invited to and who choose to participate in the Placing by making an oral or written offer to acquire Placing Shares, including any individuals, funds or others on whose behalf a commitment to acquire Placing Shares is given (the "**Placees**") will be deemed: (i) to have read and understood the Placing Announcement, in its entirety; (ii) to be participating and making an offer for Placing Shares on the Terms and Conditions; and (iii) to be providing the representations, warranties, indemnities, agreements, acknowledgements and undertakings contained in the Placing Announcement.

In particular, each such Placee represents, warrants and acknowledges that:

- a) 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;
- b) it is and, at the time the Placing Shares are acquired, will be outside the United States and acquiring the Placing Shares in an "offshore transaction" in accordance with Rule 903 or Rule 904 of Regulation S under the Securities Act ("**Regulation S**") and it is acquiring beneficial interests in the Placing Shares for its own account; if acquiring the Placing Shares for the account of one or more other persons, it has full power and authority to make the representations, warranties, indemnities, agreements, undertakings and acknowledgements herein on behalf of each such person;
- c) if it is a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation or the UK Prospectus Regulation (as applicable), (i) the Placing Shares subscribed for by it in the Placing will not be subscribed for on a non-discretionary basis on behalf of, nor will they be subscribed for with a view to their offer or resale, to persons in a member state of the EEA other than EEA Qualified Investors, or persons in the United Kingdom other than UK Qualified Investors; or (ii) where the Placing Shares have been subscribed for by it on behalf of persons in any member state of the EEA other than EEA Qualified Investors, or in the United Kingdom other than UK Qualified Investors, the offer of those Placing Shares to it is not treated under the Prospectus Regulation or the UK Prospectus Regulation (as applicable) as having been made to such persons;
- d) 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 this Appendix; and
- e) it understands (or if acting for the account of another person, such person has confirmed that such person understands) and agreed to comply with the resale and transfer restrictions set out in this Securities Note.

Neither this Prospectus nor the Placing Announcement, constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Securities may not be offered or sold in the United States absent (i) registration under the Securities Act or (ii) an available exemption from, or in a transaction not subject to, registration under the Securities Act. The securities mentioned herein have not been, and will not be, registered under the Securities Act. The Placing Shares are being offered and sold outside the United States in "offshore transactions" in accordance with Regulation S. There will be no public offering of the Placing Shares in the United States.

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

Zeus has entered into the Placing Agreement with the Company under which, on the terms and subject to the conditions set out in the Placing Agreement, Zeus, as agent for and on behalf of the Company, has agreed to procure Placees for the Placing Shares at the Offer Price. The Placing is not being underwritten by Zeus or any other person.

The exact number of Placing Shares to be allocated and issued to Placees shall be determined by Zeus and the Company following completion of the Bookbuild (as defined below).

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.

From 30 March 2023, Zeus has been conducting a bookbuilding process to determine demand for participation in the Placing by Placees (the "**Bookbuild**"). This Securities Note and the Placing Announcement give details of the Terms and Conditions of, and the mechanics of participation in, the Placing. No commissions will be paid by or to Placees in respect of any participation in the Placing or subscription for Placing Shares.

A bid in the Bookbuild will be made on the Terms and Conditions which are set forth in the Placing Announcement and this Securities Note and will be legally binding on the Placee on behalf of which it is made and, except with Zeus's consent, will not be capable of variation or revocation after the close of the Bookbuild.

The final number of Placing Shares to be issued pursuant to the Placing will be agreed by Zeus 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 shall be at the discretion of Zeus. The allocation of the Placing Shares shall be determined by agreement between the Company and Zeus.

To the fullest extent permissible by law, neither:

- a) Zeus;
- 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 Zeus as defined in the FSMA ((b) and (c) being, together, "**affiliates**", and individually, an "**affiliate**", of Zeus),

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 Zeus nor any of its affiliates shall have any liability (including, to the extent legally permissible, any fiduciary duties), in respect of their conduct of the Bookbuild.

By participating in the Placing (such participation up to an agreed maximum level to be confirmed in and evidenced by either (i) a recorded telephone call or (ii) email correspondence, in either case between representatives of Zeus to whom the Placee's commitment is given and the relevant Placee (a "**Recorded Commitment**")), each Placee will be deemed to have read and understood the Prospectus and the Terms and Conditions in this Securities Note in their entirety, to be participating and acquiring Placing Shares on these Terms and Conditions and to be providing the representations, warranties, indemnities, agreements, acknowledgements and undertakings contained in these Terms and Conditions.

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

Subject *inter alia* to the Shareholders of the Company passing the Resolutions, application will be made for admission of the Placing Shares to the Official List (standard segment) and to trading on the main market of the London Stock Exchange.

## **Principal terms of the Placing**

Zeus is acting as agent for and on behalf of the Company.

Participation in the Placing is by invitation only and will only be available to persons who may lawfully be, and are, invited by Zeus to participate. Zeus and any of its affiliates are entitled to participate in the Placing as principal.

Each Placee will confirm the maximum number of Placing Shares it is willing to acquire in a Recorded Commitment. Once they have made a Recorded Commitment, each Placee will have an immediate, separate, irrevocable and binding obligation, owed to Zeus (as agent for the Company), to subscribe and pay for, at the Offer Price, the number of Placing Shares allocated to it, up to the agreed maximum.

Each Placee's allocation (and whether such Placee participates in the Placing) will be determined by agreement between the Company and Zeus and will be confirmed by Zeus either orally or in writing via a contract note.

Each Placee's commitment will be confirmed in and evidenced by a Recorded Commitment. These Terms and Conditions will be deemed incorporated into each contract which is entered into by way of a Recorded Commitment 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 Commitment and, except with Zeus's prior written consent, will not be capable of variation or revocation after the close of the Bookbuild. A contract note confirming each Placee's allocation of Placing Shares will be sent to them following the Recorded Commitment and the allocation process. These Terms and Conditions shall be deemed incorporated into any such contract note.

Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to Zeus (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 Offer Price and the number of Placing Shares allocated to such Placee.

Zeus and the Company reserve the right to scale back the number of Placing Shares to be subscribed by any Placee in the event that the Placing is oversubscribed. Zeus and the Company also reserve the right not to accept offers to subscribe for Placing Shares or to accept such offers in part rather than in whole. The acceptance and, if applicable, scaling back of offers shall be at the absolute discretion of Zeus and the Company.

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

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

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

By participating in the 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.

## **Conditions of the Placing**

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. Zeus's obligations under the Placing Agreement are conditional on certain conditions, including:

- a) Admission occurring at or before 8:00 a.m. (London time) by such time as the Company and Zeus agree;
- b) the Prospectus having been approved as a prospectus for the purposes of the Prospectus Regulation Rules of the FCA under section 73A of the FSMA ("**Prospectus Regulation Rules**");
- c) the Resolutions being passed at the General Meeting;
- d) the warranties of the Company being and remaining true and accurate and not misleading as at the date of the Placing Agreement and immediately prior to Admission;
- e) the publication by the Company of, among other announcements, the announcement of the results of the Placing on a Regulatory Information Service;
- f) the Company allotting, subject only to Admission, the relevant Placing Shares in accordance with the Placing Agreement; and
- g) the delivery to Zeus of certain documentary conditions precedent.

If: (i) any of the conditions contained in the Placing Agreement, including those described above, are not fulfilled or (where applicable) waived or extended in writing by Zeus by the relevant time or date specified (or such later time or date as the Company and Zeus may agree); or (ii) the Placing Agreement is terminated in the circumstances specified below, the Placing will lapse 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 in respect thereof.

Zeus may, at its discretion, extend the time for satisfaction of, or waive compliance by the Company with, the whole or any part of any of the Company's obligations in relation to the conditions in the Placing Agreement. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

Neither Zeus nor any of its affiliates, agents, advisers, directors, officers or employees nor the Company nor any of its 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 it may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision any of them may make as to the satisfaction of any condition or in respect of the Placing generally, and by participating in the Placing, each Placee agrees that any such decision is within the absolute discretion of Zeus and/or the Company (as applicable).

### **Termination of the Placing**

Zeus is entitled, in its discretion acting reasonably, by notice to the Company at any time before Admission, to terminate the Placing Agreement in accordance with its terms in the following (non-exhaustive) circumstances:

- a) any statement contained in the Placing Agreement or any other document or announcement issued or published by or on behalf of the Company in connection with the Placing ("**Placing Documents**") has become untrue, inaccurate or misleading in any material respect 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;
- b) any of the warranties was materially untrue, inaccurate or misleading when made and/or that any of the warranties has ceased to be materially true or accurate or has become materially misleading at any time prior to Admission, in each case by reference to the facts and circumstances subsisting at that time;
- c) the Company has not materially complied or cannot materially comply with any of its obligations under the Placing Agreement or otherwise relating to the Placing (to the extent that such obligations fall to be complied with prior to Admission);



- d) trading in securities generally on the LSE has been suspended or limited or minimum or maximum prices for trading have been fixed or maximum ranges for prices have been required by any such exchanges or by such system or by order of any governmental authority, or a material disruption has occurred in commercial banking or securities settlement or clearance services in the United Kingdom;
- e) a banking moratorium has been declared by the United Kingdom or in London;
- f) there has occurred a material adverse change since the date of the Placing Agreement in United Kingdom to Tax affecting the Ordinary Shares or the transfer thereof or exchange controls have been imposed by the United Kingdom; or
- g) a force majeure event occurs which in the reasonable opinion of Zeus would be likely to be materially prejudicial to the Placing or Admission or the financial or trading position or prospects of the Company or the Group, taken as whole, or make it impracticable or inadvisable to proceed with the Placing in the manner contemplated by the Placing Documents.

By participating in the Placing, each Placee agrees with the Company and Zeus that the exercise by the Company or Zeus 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 Zeus or for agreement between the Company and Zeus and that neither the Company nor Zeus need make any reference to such Placee and that none of the Company, Zeus nor 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.

By agreeing with Zeus (as agent of the Company) to subscribe for Placing Shares under the Placing, a Placee (and any person acting on a Placee's behalf) will irrevocably acknowledge, confirm, warrant, undertake to and agree with, each of the Company and Zeus, in each case as a fundamental term of such Placee's application for Placing Shares and of the Company's obligation to allot and/or issue any Placing Shares to it or at its direction, that its rights and obligations in respect of the Placing (or any part of it) will 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 in any other circumstances.

### **Registration and Settlement**

Settlement of transactions in the Placing Shares following Admission will take place within the system administered by Euroclear UK & International Limited ("**CREST**"). Subject to certain exceptions, Zeus and the Company reserve the right to require settlement for, and delivery of, the Placing Shares (or any part thereof) to Placees by such other means that they deem necessary if delivery or settlement is not possible or practicable within the CREST system within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Each Placee allocated Placing Shares in the Placing will be sent a trade confirmation in accordance with the standing arrangements in place with Zeus stating the number of Placing Shares allocated to it at the Offer Price, the aggregate amount owed by such Placee to Zeus 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, or depositary interests representing such Placing Shares, that it has in place with Zeus.

Settlement will take place in accordance with the instructions set out in the trade confirmation.

Each Placee is deemed to agree that, if it does not comply with these obligations, Zeus may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for Zeus's account and benefit, an amount equal to the aggregate amount owed by the Placee. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it 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 these Terms and Conditions) or

other similar taxes 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 trade confirmation is copied and delivered immediately to the relevant person within that organisation.

Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax.

### **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, undertakes, confirms and agrees (for itself and for any such prospective Placee) that (save where Zeus expressly agrees in writing to the contrary):

1. it has read and understood the Announcement and these Terms and Conditions in their entirety and its acquisition of 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 Admission, the Placing, the Company, the Placing Shares or otherwise, other than the information contained in the Announcement and any information publicly announced through a Regulatory Information Service by or on behalf of the Company on or prior to the date of these Terms and Conditions ("**Publicly Available Information**");
2. save for the Prospectus, it has not received a prospectus or other offering document in connection with the Placing and acknowledges that no prospectus or other offering document is required under any applicable law or has been or will be prepared in connection with the Placing or the Placing Shares.
3. 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 Zeus 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, the Prospectus and these Terms and Conditions or the Publicly Available Information (as defined in the Terms and Conditions); nor has it requested Zeus, the Company or 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;
4. neither Zeus nor any person acting on its behalf, nor any of its respective 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 these Terms and Conditions excludes the liability of any person for any fraudulent misrepresentation made by that person;
5. the only information on which it is entitled to rely and on which it has relied in committing to acquire the Placing Shares is contained in the Announcement and the Publicly Available Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on the Announcement and the Publicly Available Information;

6. neither Zeus nor any of its 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, completeness or adequacy of the Announcement or Publicly Available Information;
7. it may not rely, and has not relied, on any investigation that either Zeus, any of its affiliates or any person acting on their behalf, may have conducted with respect to the Placing Shares or the Company, and none of such persons has made any representation, express or implied, with respect to the Company, the Placing Shares or the accuracy, completeness or adequacy of the information from the LSE or any other information; each Placee further acknowledges that it has conducted its own investigation of the Company and the Placing Shares and has received all information it believes necessary or appropriate in connection with its investment in the Placing Shares;
8. the content of this Announcement and the Prospectus are exclusively the responsibility of the Company and that neither Zeus nor its affiliates or any person acting on behalf of any of them has or shall have any liability for any information, representation or statement contained in, or omission from, this Announcement, the Prospectus or any information previously published by or on behalf of the Company, pursuant to applicable laws, and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this Announcement, the Prospectus or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to acquire Placing Shares is contained in this Announcement, the Prospectus and any information previously published by the Company by notification to a Regulatory Information Service, such information being all that such Placee deems necessary or appropriate and sufficient to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given, or representations, warranties or statements made, by Zeus or the Company or any of their respective affiliates, agents, directors, partners, officers or employees and none of Zeus or the Company or any such affiliate, agent, director, partner, officer or employee will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement, provided that nothing in this paragraph excludes the liability of any person for fraud or fraudulent misrepresentation made by that person;
9. 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 the Announcement and these Terms and Conditions 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 Zeus determines;
10. it and each person on whose behalf it is participating:
  - a) is entitled to acquire Placing Shares pursuant to the Placing under the laws and regulations of all relevant jurisdictions;
  - b) has fully observed such laws and regulations;
  - c) has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of Placing Shares and will honour such obligations; and
  - d) has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a Placee, all necessary consents and authorities to agree to the terms set out or referred to in these Terms and Conditions) 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 and acknowledges that it is required to comply with all applicable laws and regulations with respect to its acquisition of Placing Shares;

11. it and the beneficial owner of the Placing Shares is, and at the time the Placing Shares are acquired will be, 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;
12. it understands that the Placing Shares have not been, and will not be, registered under the Securities Act and may not be offered, sold or resold in or into or from the United States except pursuant to an effective registration under the Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with applicable state securities laws; and no representation is being made as to the availability of any exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;
13. it (and any account for which it is purchasing) is not acquiring the Placing Shares with a view to any offer, sale or distribution thereof within the meaning of the Securities Act;
14. it will not distribute, forward, transfer or otherwise transmit the Announcement or these Terms and Conditions or any part of them or any other presentational or other materials concerning the Placing (including, but not limited to, the Prospectus) 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;
15. none of Zeus, its affiliates and/or 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 Zeus and that Zeus has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing or in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement or 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;
16. it will make payment to Zeus for the Placing Shares allocated to it in accordance with these Terms and Conditions on or by such date as notified by Zeus or the Company, failing which the relevant Placing Shares may be placed with others on such terms as Zeus determines in its absolute discretion without liability to the Placee and the Placee will remain liable for any shortfall below the aggregate amount owed by it 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 these Terms and Conditions) or other similar taxes imposed in any jurisdiction which may arise upon the sale of such Placing Shares on such Placee's behalf;
17. its Recorded Commitment to acquire Placing Shares will represent a maximum number of Placing Shares which it may be required to subscribe for, and that following the allocation process Zeus 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;
18. no action has been or will be taken by any of the Company, Zeus or any person acting on behalf of the Company or Zeus 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;
19. 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;
20. neither Zeus nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe the above 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 Zeus in respect of the same on the basis that the Placing Shares will be allotted to a CREST stock account of Zeus or transferred to a CREST stock account

of Zeus who will hold them as nominee on behalf of the Placee until settlement in accordance with such Placee's standing settlement instructions with Zeus;

21. 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 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;
22. if it is within the United Kingdom, it and any person acting on its behalf (if within the United Kingdom) falls within Article 19(5) and/or 49(2) of the Order and undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;
23. 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 the FSMA or an offer to the public in any member state of the EEA within the meaning of Article 2(e) of the Prospectus Regulation as it forms part of the UK domestic law by virtue of the European Union (Withdrawal) Act 2018, or an offer to the public in any Relevant State within the meaning of the Prospectus Regulation;
24. 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 and it acknowledges and agrees that neither the Announcement nor these Terms and Conditions has been or will be approved by Zeus 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;
25. 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 and Market Abuse Regulation (EU Regulation No. 596/2014 which forms part of domestic law pursuant to the European Union (Withdrawal) Act 2018) ("**UK MAR**") in respect of anything done in, from or otherwise involving the United Kingdom);
26. 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:
  - a) dealt (or attempted to deal) in the securities of the Company;
  - b) encouraged, recommended or induced another person to deal in the securities of the Company; or
  - c) unlawfully disclosed such information to any person, prior to the information being made publicly available;
27. neither Zeus, the Company nor any of their respective affiliates, agents, advisers, directors, officers or employees nor any person acting on behalf of Zeus, the Company or their respective affiliates, agents, advisers, directors, officers or employees nor any person acting on behalf of any of them 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 Zeus's rights and

obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

28. either of Zeus 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 these Terms and Conditions and/or the Announcement 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, Zeus and/or any of its affiliates acting as an investor for its or their own account(s). Neither Zeus 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;

29. it:

- a) 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, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (in each case as amended);
- b) is not a person: (i) 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; (ii) named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or 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 29 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 Zeus such evidence, if any, as to the identity or location or legal status of any person which Zeus 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 Zeus 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 Zeus may decide at its sole discretion;

30. in order to ensure compliance with the Regulations, Zeus (for itself and as agent on behalf of the Company) or the Company's registrar may, in their absolute discretion, require verification of its identity. Pending the provision to Zeus or the Company's registrar, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at Zeus's absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at Zeus's or the Company's registrar's, as the case may be, absolute discretion. If, within a reasonable time after a request for verification of identity, Zeus (for itself and as agent on behalf of the Company) or the Company's registrar have not received evidence satisfactory to them, either Zeus 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;

31. its commitment to acquire Placing Shares on the Terms and Conditions 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 Zeus's conduct of the Placing;

32. neither Zeus nor any of its affiliates, agents, advisers, directors, officers or employees makes any representation in respect of or shall have any responsibility for the tax treatment that any Placee may receive or expect in relation to their investment in Placing Shares;
33. 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;
34. it irrevocably appoints any duly authorised officer of Zeus as its agent for the purpose of executing and delivering to the Company and/or its registrar 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 these Terms and Conditions;
35. the Company, Zeus 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, undertakings, acknowledgements and agreements, which are given to Zeus on their own behalf and on behalf of the Company and are irrevocable;
36. 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;
37. time is of the essence as regards its obligations under these Terms and Conditions;
38. any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to Zeus;
39. the Placing Shares will be issued subject to these Terms and Conditions; and
40. these Terms and Conditions and all documents into which these Terms and Conditions are 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 Zeus 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, Zeus 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 these Terms and Conditions or incurred by Zeus, the Company or any of their respective affiliates, agents, directors, officers or employees arising from the non-performance of the Placee's obligations as set out in these Terms and Conditions, and further agrees that the provisions of these Terms and Conditions 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 assumes that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement related to any other dealings in the Placing Shares, stamp duty or stamp duty reserve tax 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 Zeus shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and they should notify Zeus 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 Zeus in the event that any of the Company and/or Zeus have incurred any such liability to such taxes or duties.

The representations, warranties, acknowledgements, agreements, indemnities and undertakings contained in these Terms and Conditions are given to Zeus for itself and on behalf of the Company and are irrevocable.

Zeus 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 will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to their clients or for providing advice in relation to the Placing or any other matters referred to in these Terms and Conditions.

Each Placee and any person acting on behalf of the Placee acknowledges that Zeus 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.

The provisions of these Terms and Conditions may be varied, waived or modified as regards specific Placees or on a general basis by Zeus provided always that such variation, waiver or modification is not materially prejudicial to the interests of the Company or Zeus.

In the case of a joint agreement to acquire Placing Shares, references to a "**Placee**" in these Terms and Conditions are to each of such Placees and such joint Placees' liability is joint and several.

### **Information to Distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").



Notwithstanding the Target Market Assessment, distributors should note that: the price of the Company's common shares may decline and investors could lose all or part of their investment; the Company's common shares offer no guaranteed income and no capital protection; and an investment in the Company's common shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Zeus will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

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

## **General**

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that Zeus 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 Zeus, any money held in an account with Zeus 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 Zeus's money in accordance with the client money rules and will be held by it under a banking relationship and not as trustee.

In these Terms and Conditions, 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 the Terms and Conditions are to London time, unless otherwise stated.

All times and dates in these Terms and Conditions may be subject to amendment. Placees will be notified of any changes.

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

The price of Placing 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 Placing 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 the main market of the London Stock Exchange.