Acquisitions & Proposed Placing

Released : 02 Sep 2021

RNS Number : 6071K
discoverIE Group plc
02 September 2021

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2 September 2021

discoverIE Group plc

(LSE: DSCV, "discoverIE", the "Company" or the "Group")

Acquisitions of Beacon EmbeddedWorks and Antenova

Proposed placing to raise approximately £45m

discoverIE, a leading international designer, manufacturer and supplier of customised electronics to industry, today announces the acquisitions of Logic PD Inc (also known as Beacon EmbeddedWorks) (or "Beacon") and Antenova Limited ("Antenova") (collectively the "Acquisitions") together with a proposed placing to raise gross proceeds of approximately £45m (the "Placing").

Acquisition Highlights and Rationale

- Beacon is a US-based designer, manufacturer and supplier of custom System on Module (SOM) embedded computing boards and related software, supplying the medical, industrial and aerospace & defence markets in the US.
- Beacon delivered revenue of $28.1m (£20.5m) for its most recent financial year ended 31 December 2020, generating an underlying EBITDA[1] of $6.8m (£5.0m) and an underlying EBIT of $5.9m (£4.3m).
- Beacon has been acquired for a cash consideration of $80.5m (£58.8m) on a debt free, cash free basis, before expenses, funded from the Group's existing debt facilities. With a record order book, management incentives have been agreed based on profit growth targets over the next four years.
- The Group has separately acquired Antenova, a UK-based designer and manufacturer of antennas and radio frequency (RF) modules for industrial connectivity applications, for a cash consideration of £18.2m on a debt free, cash free basis, before expenses, funded from the Group's existing debt facilities.
- Antenova is experiencing strong growth in the current year with sales expected to be c.£8.0m. Underlying EBITDA is expected to be in the region of £2.3m, with underlying EBIT of £2.2m. Management incentives have been agreed based on the achievement of future profit growth targets.
- The Acquisitions represent further progress with the Group's stated growth strategy. In particular, they:
    - Create further organic growth opportunities in the Group's target markets, particularly medical, and industrial & connectivity, with high proportions of customised products for long life cycle applications;
    - Expand the Group's international footprint significantly in North America, increasing revenues from outside Europe for the Design & Manufacturing ("D&M") division by 4ppts to 40% on a proforma basis for the last financial year and for the Group by 3ppts to 31%; and
    - With both businesses generating operating margins in excess of 20%, the Acquisitions enhance underlying operating margins

for both the D&M division and the Group as a whole by approximately 0.8ppts on a proforma basis for last financial year.

- The Acquisitions and the Placing (as described below), taken together, are expected to be immediately enhancing to underlying EPS.

Placing Highlights

- Proposed placing of new ordinary shares of 5 pence each in the Company (the "Placing Shares"), to raise gross proceeds of approximately £45m. The total number of Placing Shares is expected to represent approximately 5 per cent. of the Company's existing issued share capital as at the date of this Announcement.
- The Placing is being conducted through an accelerated book building process (the "Bookbuild") which will commence immediately following this Announcement in accordance with the terms and conditions set out in the Appendix. The Placing Price will be determined at the close of the Bookbuild.
- The consideration for the Acquisitions has been satisfied from discoverIE's existing debt facilities, with the net proceeds of the Placing, which are expected to be approximately £43.6m, used to reduce the Group's net debt, to fund working capital and for general corporate purposes.
- Following the Acquisitions and the Placing, proforma gearing, calculated as net debt to adjusted EBITDA (annualised for acquisitions), at 31 March 2021 would have increased from 1.25x[2] to 1.8x on a pro forma basis, remaining within the Company's target range of 1.5x to 2.0x.
- The Group retains a healthy pipeline of further acquisition opportunities and the Placing, together with continued strong cash generation and a disciplined approach to portfolio management, will enable further investment allowing the Group to remain within its target leverage ratio.
- The Placing is being conducted and underwritten by Peel Hunt LLP ("Peel Hunt") as to an amount of £45m, subject to certain conditions.

Nick Jefferies, Group Chief Executive of discoverIE, said:

"The earnings accretive acquisitions of Beacon EmbeddedWorks and Antenova continue our strategy of building a high quality, high margin international group that designs and manufactures differentiated and customised electronics. Both Beacon and Antenova have long-established track records of supplying high quality products, mostly into our core target markets, and are therefore well-positioned to exploit a range of growth opportunities. We are delighted to welcome the businesses and all their employees into the Group.

"With a clear strategy focused on long-term, high quality growth markets, a diversified customer base, and a strong pipeline of acquisition opportunities, the Group is well positioned to make further progress on its key priorities."

Market Abuse Regulation

The information contained within this Announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation ("MAR"). Upon the publication of this Announcement via a regulatory information service, this inside information is now considered to be in the public domain.

The person responsible for arranging release of this Announcement on behalf of the Company is Greg Davidson, Group General Counsel and Company Secretary of the Company.

In addition, market soundings (as defined in MAR) were taken in respect of the Placing and the Acquisition with the result that certain persons became aware of inside information (as defined in MAR), as permitted by MAR. This inside information is set out in this Announcement being made by the Company today. Therefore, those persons that received inside information in a market sounding are no longer in possession of such inside information relating to the Company and its securities.

Terms used but not defined elsewhere in this Announcement shall have the meanings given to such terms in the Definitions section of the Appendix to this Announcement.

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About discoverIE

discoverIE Group plc is an international group of businesses that designs, manufactures and supplies innovative components for electronic applications.

The Group provides application-specific components to original equipment manufacturers ("OEMs") internationally. By designing components that meet customers' unique requirements, which are then manufactured and supplied throughout the life of their production, a high level of repeating revenue is generated with long term customer relationships.

With a focus on key markets driven by structural growth and increasing electronic content, namely renewable energy, medical, transportation and industrial & connectivity, the Group aims to achieve organic growth that is well ahead of GDP and to supplement that with targeted complementary acquisitions. The Group has an ongoing commitment to reducing the impact of its operations on the environment, while its key markets are aligned with a sustainable future.

The Group employs c.4,600 people and its principal operating units are located in Continental Europe, the UK, China, Sri Lanka, India and North America.

The Group is listed on the Main Market of the London Stock Exchange and is a member of the FTSE250, classified within the Electrical Components and Equipment subsector, with revenues of around £500m.

Background to and reasons for the Acquisitions

discoverIE has a clear and well established strategy that is building a high quality, international group designing and manufacturing customised electronics, through organic growth supplemented by acquisitions. The Board believes that the acquisitions of Beacon and Antenova represent further steps in building the D&M division and have a clear fit with the Group's strategy:

- High proportions of customised and unique products which complement the existing D&M business;
- Create further organic growth opportunities in the Group's target markets and with complementary customers;
- Increase the Group's international reach and presence in North America;
- Successful performance track records with proven, ambitious management; and
- High levels of cash generation with low capital requirements which will further strengthen the Group's financial profile.

In the 11 years to 31 March 2021, the Group successfully completed 16 D&M acquisitions contributing to an increase in D&M revenues from £15m (8% of Group revenues) in FY 2012/13[3] to £297m (65% of Group revenues) in FY 2020/21 with Group operating margins more than doubling, to 8% over the same period. Three further businesses have been acquired this year, including these latest acquisitions. The Group's strategy is focussed on acquiring and growing high quality D&M businesses with differentiated capabilities which are enhancing to the Group's overall offering to customers in its target markets and expand its international reach outside Europe. The Group's operating model is also well established, facilitating the integration of acquired businesses, with a combination of investment in growth and efficiency while leveraging the Group's commercial infrastructure. Through effective integration and leveraging the benefits of the enlarged platform, acquired D&M businesses delivered an average return on investment[4] last year of 16%, ahead of the Group's target of 15%, despite the impact of the pandemic.

The Board has a disciplined approach to capital allocation, with business units required to contribute towards the Group's key performance and strategic targets and resources focussed on opportunities that are capable of generating growth with the targeted returns. As part of this approach, the Board continues to review the portfolio and, where appropriate, will exit businesses that do not meet these objectives, redeploying the capital into other opportunities.

Trading update

Group trading since the update on 29 July 2021 has continued to be strong with organic growth in orders and sales compared to both the Covid-impacted prior year and the pre-Covid period of FY2019/20. Orders continue ahead of sales, with a growing, record order book.

Information on Beacon

Beacon, which is 100% owned by Compass Electronics Group LLC, and trades under the name Beacon EmbeddedWorks, was founded in 2001 and is located in Minneapolis, Minnesota. Led by a strong and experienced management team, the business designs, manufactures and supplies mission critical System on Module (SOM) embedded computing boards and related software (board integration, drivers and bootloaders) to customers in the medical, aerospace & defence and broader industrial markets. All sales are currently in the US. The business has long established customer relationships, averaging over 10 years, driven by high quality engineering and support services. Beacon creates further organic opportunities in our target markets and with complementary customers. Approximately three quarters of sales are into medical markets, with critical care applications accounting for over 50% of sales; these are highly regulated markets with long product cycles. It will operate within the D&M division, while retaining its distinct brand identity, providing complementary capabilities with the Group's existing Hectronic business, which presents opportunities for cross-selling.

The business delivered a resilient performance in the Covid-impacted year ended 31 December 2020, following a prior period of strong growth. Revenues for the year ended 31 December 2020 were $28.1m (£20.5m), generating an underlying EBITDA of $6.8m (£5.0m), underlying EBIT of $5.9m (£4.3m), an underlying EBIT margin of 21% and a reported pre-tax profit of $5.4m (£3.9m). At 31 December 2020, the gross assets of Beacon were $7.5m (£5.5m).

Information on Antenova

Antenova was founded in 1999 and is headquartered in the UK with operations in Taiwan and the US. Sales are evenly split across Europe, US and Asia with its main markets being medical and industrial connectivity.

Previously in mainly private equity ownership, Antenova designs and manufactures antennas and radio frequency (RF) modules for industrial connectivity applications.

Antenova is experiencing strong growth in the current year with sales expected to be c.£8.0m. Underlying EBITDA is expected to be in the region of £2.3m, with underlying EBIT of £2.2m.

The business has long standing, high quality customers, with a strong pipeline of opportunities for further growth.

Details of the Placing

The Company intends to raise approximately £45m (before expenses of approximately £1.4m) pursuant to the Placing. The price per Placing Share will be determined at the close of the Bookbuild.

The Placing will be conducted by Peel Hunt in accordance with the terms and conditions set out in the Appendix to this Announcement. The Bookbuild will determine demand for and participation in the Placing. The Bookbuild will commence with immediate effect following this Announcement and is expected to close later today.

The timing of the close of the Bookbuild is at the absolute discretion of Peel Hunt in consultation with the Company and Peel Hunt reserves the right to close the Bookbuild process earlier or later without further notice. The allocations will be determined by the Company, following consultation with Peel Hunt Allocations will be confirmed orally or in writing by Peel Hunt following the close of the bookbuilding process. A further announcement will then be made as soon as practicable following the completion of the Bookbuild.

The Placing is being underwritten by Peel Hunt as to an amount of £45m, subject to certain conditions.

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

- the Company having complied with its material obligations under the placing agreement which has been entered into between the Company and Peel Hunt (the "Placing Agreement") to the extent that such obligations are required to be performed on or prior to Admission;
- the delivery to the Company of certain customary documentation;
- the publication of the results of the Placing via a regulatory information service by no later than 3 September 2021 (or such later time and/or date as the Company and Peel Hunt may agree); and
- Admission of the Placing Shares taking place by no later than 8.00 am on 7 September 2021 (or such later time and/or date as the Company and Peel Hunt may agree).

If any of the conditions are not satisfied or waived, the Placing Shares will not be issued and all monies received from participants in the Placing ("Placees") will be returned to them (at the Placees' risk and without interest) as soon as possible.

The Placing Agreement contains customary warranties given by the Company to Peel Hunt as to matters relating to the Company and its business and a customary indemnity from the Company to Peel Hunt in respect of liabilities arising out of or in connection with the Placing. The Placing Agreement also contains customary rights of termination which could enable Peel Hunt to terminate the Placing prior to Admission in certain limited circumstances. Further information on the Placing Agreement is set out in the Appendix to this Announcement.

The Placing Shares will represent approximately 5.0% of the existing issued share capital and will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the Company's existing ordinary shares including the right to receive all dividends and other distributions declared, made or paid in respect of such shares after the date of issue of the Placing Shares.

Application has been made for the Placing Shares to be admitted to the premium listing segment of the Official List of the UK Financial Conduct Authority ("FCA") and to trading on the main market for listed securities of the London Stock Exchange plc (together, the "Admission"). It is expected that Admission will become effective and that dealings in the Placing Shares will commence on or around 7 September 2021 (but may be extended by agreement between the Company and Peel Hunt).

As part of the Placing, certain of the Directors are themselves intending to subscribe for Placing Shares at the Placing Price. If Directors do participate, we anticipate that these related party transactions would constitute exempt small transactions pursuant to paragraph 1 of Annex 1 to Chapter 11 of the Listing Rules.

The terms and conditions of the Placing are set out in the Appendix to this Announcement.

Notes

1. Underlying EBITDA and underlying EBIT excludes shareholder and associated costs.
2. Reported gearing at 31 March 2021 was 1.1x with a proforma gearing of 1.25x including the acquisition of Controlled Products Inc in May 2021.
3. FY2012/13 means the financial year ended 31 March 2013 and FY2020/21 means the financial year ended 31 March 2021.
4. Return on investment is defined as underlying operating profit attributable to the acquired businesses (that have been owned for more than 2 years) over total acquisition costs comprising up-front consideration, acquisition expenses, earn-out (once earned), and integration costs.

IMPORTANT NOTICE

This Announcement is for information purposes only and shall not constitute an offer to sell or issue or the solicitation of an offer to buy, subscribe for or otherwise acquire securities in any jurisdiction in which any such offer or solicitation would be unlawful. Any failure to comply with this restriction may constitute a violation of the securities laws of such jurisdictions. Persons needing advice should consult an independent financial adviser.

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This Announcement does not contain an offer or constitute any part of an offer to the public within the meaning of Sections 85 and 102B of the FSMA or otherwise. This Announcement is not an "approved prospectus" within the meaning of Section 85(7) of the FSMA and a copy of it has not been, and will not be, delivered to the FCA in accordance with the Prospectus Rules or delivered to any other authority which could be a competent authority for the purpose of the EU Prospectus Regulation or the UK Prospectus Regulation. Its contents have not been examined or approved by the London Stock Exchange, nor has it been approved by an "authorised person" for the purposes of Section 21 of the FSMA. This Announcement is being distributed to persons in the United Kingdom only in circumstances in which section 21(1) of the FSMA does not apply.

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Certain statements in this Announcement are forward-looking statements, which include all statements other than statements of historical fact and which are based on the Company's expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts. These forward-looking statements, which may use words such as "aim", "anticipate", "believe", "could", "intend", "estimate", "expect" and words of similar meaning, include all matters that are not historical facts. These forward-looking statements involve risks, assumptions and uncertainties that could cause the actual results of operations, financial condition, liquidity and dividend policy and the development of the industries in which the Company's businesses operate to differ materially from the impression created by the forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Given those risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by the FCA, the London Stock Exchange or applicable law, the Company, Peel Hunt and their respective Affiliates undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Any indication in this Announcement of the price at which the Company's shares have been bought or sold in the past cannot be relied upon as a guide to future performance. Persons needing advice should consult an independent financial adviser. No statement in this Announcement is intended to be a profit forecast and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

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

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by or on behalf of the Company, Peel Hunt or by their respective Affiliates as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefor is expressly disclaimed.

Recipients of this Announcement should conduct their own investigation, evaluation and analysis of the business, data and property described in this Announcement. This Announcement does not constitute a recommendation concerning any investor's options with respect to the Placing. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The contents of this Announcement are not to be construed as legal, business, financial or tax advice. Each shareholder or prospective investor should consult with his or her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange's main market for listed securities.

The Appendix to this Announcement sets out the terms and conditions of the Placing. By participating in the Placing, each Placee will be deemed to have read and understood this Announcement in its entirety and to be making such offer to acquire Placing Shares on the terms and subject to the conditions set out in this Announcement and to be providing the representations, warranties, undertakings and acknowledgements contained in the Appendix.

Members of the public are not eligible to take part in the Placing and no public offering of Placing Shares is being or will be made. This Announcement is directed only at and may only be communicated to the categories of persons set out in the terms and conditions of the Placing set out in the Appendix.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this Announcement.

APPENDIX

TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION ON THE PLACING FOR INVITED PLACEES ONLY.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING AND NO PUBLIC OFFERING OF PLACING SHARES IS BEING OR WILL BE MADE. THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN (WHICH IS FOR INFORMATION PURPOSES ONLY) ARE DIRECTED ONLY AT PERSONS WHO ARE:

(A) PERSONS IN MEMBER STATES OF THE EEA WHICH HAVE IMPLEMENTED THE EU PROSPECTUS REGULATION WHO ARE QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF THE EU PROSPECTUS REGULATION ("**QUALIFIED INVESTORS**"); OR

(B) IF IN THE UNITED KINGDOM, PERSONS WHO ARE QUALIFIED INVESTORS WITHIN THE MEANING OF THE UK PROSPECTUS REGULATION WHO (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS WHO FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 AS AMENDED (THE "**ORDER**") (INVESTMENT PROFESSIONALS); (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC) OF THE ORDER; OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (TOGETHER, "**UK QUALIFIED INVESTORS**"); OR

(C) PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED,

(ANY SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

THIS ANNOUNCEMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. DISTRIBUTION OF THIS ANNOUNCEMENT IN CERTAIN JURISDICTIONS MAY BE RESTRICTED OR PROHIBITED BY LAW. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR THE SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY. EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN PLACING SHARES.

The Placing Shares have not been and will not be registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, transferred or delivered, directly or indirectly, whole or in part, in, into or within the United States (including its territories and dependencies, any state and the District of Columbia) except pursuant to an applicable exemption from the registration requirements of the US Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. The Placing Shares are being offered and sold only (i) outside of the United States in accordance with Regulation S under the US Securities Act ("**Regulation S**") and otherwise in accordance with applicable laws and; (ii) in the United States to a limited number of "qualified institutional buyers" ("**QIBs**") as defined in Rule 144A under the US Securities Act pursuant to an exemption from the registration requirements of the US Securities Act. There will be no public offer of the securities mentioned herein in the United States.

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be registered under or offered in compliance with the securities laws of any state, province or territory of Australia, New Zealand, Canada, Japan or the Republic of South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, New Zealand, Canada, Japan or the Republic of South Africa or any other jurisdiction outside the EEA or the United Kingdom.

No prospectus has been prepared or filed with any securities commission or other securities regulatory authorities in any jurisdiction in Canada in connection with the offer or sale of the Placing Shares. Any offer and sale of the Placing Shares in Canada is being made on a private placement basis only and pursuant to an exemption from the requirement that the Company prepares and files a prospectus under applicable Canadian securities laws. Any resale of the Placing Shares in Canada must be made in accordance with applicable Canadian securities laws, which may vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with Canadian prospectus requirements, a statutory exemption from the prospectus requirements, in a transaction exempt from the prospectus requirements or otherwise under a discretionary exemption from the prospectus requirements granted by the applicable local Canadian securities regulatory authority. These resale restrictions may under certain circumstances apply to resales of the Placing Shares outside of Canada. There will be no public offering of the Placing Shares in Canada. This Announcement does not contain all of the information that would normally appear in a prospectus under applicable Canadian securities laws. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this Announcement or the merits of the Placing Shares. Any representation to the contrary is an offense. This Announcement is not, and under no circumstances is to be construed as, a prospectus, an offering memorandum, an advertisement, a solicitation to purchase, a public offering of the Placing Shares in Canada.

No offer and sale of Placing Shares is or will be made in Canada, except to persons who are: (a) an "accredited investor" as defined in Section 1.1 of National Instrument 45-106 - *Prospectus Exemptions* (**"NI 45-106"** or subsection 73.3(1) of the Securities Act (Ontario) (the **"OSA"**), as applicable, and are either purchasing the Placing Shares as principal for their own account, or are deemed to be purchasing the Placing Shares as principal for its own account in accordance with applicable Canadian securities laws and not as agent for the benefit of another person or as trustee, for investment only and not with a view to resale or redistribution; (b) not created or being used solely to purchase or hold the Placing Shares as an accredited investor under NI 45-106; (c) a "permitted client" as defined in section 1.1 of National Instrument 31-103 - *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**"NI 31-103"**) that is not an individual; and (d) is resident in either the Province of Alberta, British Columbia, Ontario or Quebec and entitled under applicable Canadian securities laws, including the securities laws applicable to such Province, to purchase the Placing Shares without the benefit of a prospectus.

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

The distribution of this Announcement and/or the Placing and/or the issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, Peel Hunt or any of their respective affiliates, agents, directors, officers or employees that would permit an offer of the Placing Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and Peel Hunt to inform themselves about and to observe any such restrictions.

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

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

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

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

1. it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;

2. in the case of a Relevant Person in the United Kingdom who acquires any Placing Shares pursuant to the Placing:

   (a) it is a Qualified Investor within the meaning of Article 2(e) of the UK Prospectus Regulation;

   (b) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 2(d) and Article 5(1) of the UK Prospectus Regulation:

      (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in the United Kingdom other than UK Qualified Investors or in circumstances in which the prior consent of Peel Hunt has been given to each such proposed offer or resale;

      (ii) where Placing Shares have been acquired by it on behalf of persons in the United Kingdom other than UK Qualified Investors, the offer of those Placing Shares to it is not treated under the UK Prospectus Regulation as having been made to such persons; and

3. in the case of a Relevant Person in a member state of the EEA which has implemented the EU Prospectus Regulation (each, a "**Relevant Member State**") who acquires any Placing Shares pursuant to the Placing:

   (a) it is a Qualified Investor within the meaning of Article 2(e) of the EU Prospectus Regulation; and

   (b) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 2(d) and Article 5(1) of the EU Prospectus Regulation:

      (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors or in circumstances in which the prior consent of Peel Hunt has been given to each such proposed offer or resale;

      (ii) where Placing Shares have been acquired by it on behalf of persons in any Relevant Member State other than Qualified Investors, the offer of those Placing Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons; and

4. it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it has authority to exercise, and is exercising, investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this Announcement;

5. it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Appendix;

6. it (and any person on whose account it is acting, as referred to in paragraph 5 above) is and at the time the Placing Shares are acquired, will be, either:

   (a) located outside the United States and is acquiring the Placing Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S; or

   (b) a "qualified institutional buyer" as defined in Rule 144A under the US Securities Act.

Details of the Placing Agreement and the Placing Shares

The Company has today entered into the Placing Agreement with Peel Hunt. Pursuant to the Placing Agreement, Peel Hunt has, subject to the terms set out in such agreement, agreed to use reasonable endeavours, as an agent of the Company, to procure Placees for the Placing Shares. Peel Hunt will today commence the Bookbuild to determine demand for participation in the Placing by Placees. This Appendix gives details of the terms and conditions of, and the mechanics for participation in, the Placing. The Placing is underwritten by Peel Hunt as to an amount of £45m**.**

The Placing Shares will, when issued, be subject to the articles of association of the Company, be credited as fully paid and rank pari passu in all respects with each other and with the existing Ordinary Shares in the capital of the Company, including the right to receive all dividends and other distributions declared, made or paid in respect of the Ordinary Shares after the date of issue of the Placing Shares.

The Placing Shares will be issued free of any encumbrance, lien or other security interest.

No prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require any prospectus or other offering document to be published. No prospectus or other offering document has been or will be submitted to be approved by the FCA (or any other authority) in relation to the Placing or the Placing Shares and Placees' commitments will be made solely on the basis of their own assessment of the Company, the Placing Shares and the Placing based on the information contained in this Announcement, the announcement of the number of shares to be issued under the Placing (the "**Placing Results Announcement**") (together, the "**Placing Documents**") and any other information publicly announced through an RIS by or on behalf of the Company on or prior to the date of this Announcement (the "**Publicly Available Information**") and subject to any further terms set forth in the trade confirmation sent to individual Placees.

Each Placee, by participating in the Placing, agrees that the content of the Placing Documents is exclusively the responsibility of the Company and confirms to the Company and Peel Hunt that it has neither received nor relied on any information (other than the Publicly Available Information), representation, warranty or statement made by or on behalf of Peel Hunt or the Company or any other person and neither of Peel Hunt, the Company nor any other person acting on such person's behalf nor any of their respective affiliates has or shall have any responsibility or liability for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which a Placee may have obtained or received (regardless of whether or not such information, representation, warranty or statement was given or made by or on behalf of any such persons). Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. No Placee should consider any information in this Announcement to be legal, tax or business advice. Each Placee should consult its own attorney, tax advisor, and business advisor for legal, tax and business advice regarding an investment in the Placing Shares. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Application for admission to trading

Application will be made to the FCA for admission of the Placing Shares to the premium listing segment of the Official List of the FCA and to the London Stock Exchange for admission to trading of the Placing Shares on its main market for listed securities.

It is expected that Admission of the Placing Shares will occur at or before 8:00 a.m. (London time) on 7 September 2021 (or such later time and/or date as Peel Hunt may agree with the Company, not being later than 17 September 2021) and that dealings in the Placing Shares will commence at that time.

Bookbuild

Following this Announcement, Peel Hunt will today commence the Bookbuild to determine demand for participation in the Placing by Placees. The book will open with immediate effect. Members of the public are not entitled to participate in the Placing. This Announcement gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

Peel Hunt shall be entitled to effect the Placing by such alternative method to the Bookbuild as it and the Company may, in their absolute discretion, determine.

Participation in, and principal terms of, the Placing

1. Peel Hunt is acting as sole bookrunner, broker and placing agent of the Company in connection with the Placing on the terms and subject to the conditions of the Placing Agreement.

2. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by Peel Hunt. Peel Hunt may itself agree to be a Placee in respect of all or some of the Placing Shares or may nominate any member of its group to do so.

3. The Bookbuild, if successful, will establish the Placing Price payable by all Placees whose bids are successful. The Placing Price and the aggregate proceeds to be raised through the Placing will be agreed between Peel Hunt and the Company following completion of the Bookbuild. The Company reserves the right to increase the amount to be raised pursuant to the Placing in its discretion. The Placing Price will be announced on an RIS following the completion of the Bookbuild.

4. To bid in the Bookbuild, prospective Placees should communicate their bid by telephone to their usual sales contact at Peel Hunt. Each bid should state the number of Placing Shares which the prospective Placee wishes to subscribe for either at the Placing Price which is ultimately established by the Company and the Banks or at prices up to a price limit specified in its bid. Bids may be scaled down by the Banks on the basis referred to in paragraph 8 below.

5. The Bookbuild is expected to close later today but may be closed earlier or later at the absolute discretion of Peel Hunt in consultation with the Company. Peel Hunt may, in agreement with the Company, accept bids either in whole or in part that are received after the Bookbuild has closed and allocate Placing Shares after the time of any initial allocation to any person submitting a bid after time.

6. Allocations of the Placing Shares will be determined by the Company, following consultation with Peel Hunt. Subject to the execution of the Placing Supplement, allocations will be confirmed orally or in writing by Peel Hunt and a trade confirmation will be despatched as soon as possible thereafter. An oral or written confirmation from Peel Hunt to such Placee constitutes an irrevocable legally binding commitment upon such person (who will at that point become a Placee), in favour of Peel Hunt and the Company, to acquire the number of Placing Shares allocated to it and to pay the Placing Price in respect of such shares on the terms and conditions set out in this Appendix and in accordance with the Company's articles of association. Except with Peel Hunt's consent, such commitment will not be capable of variation or revocation after the time at which it is submitted.

7. Each Placee's allocation and commitment will be evidenced by a trade confirmation issued to such Placee by Peel Hunt. The terms of this Appendix will be deemed incorporated in that trade confirmation.

8. Subject to paragraphs 5 and 6 above, Peel Hunt may choose to accept bids, either in whole or in part, on the basis of allocations agreed with the Company and may scale down any bids for this purpose on such basis as it may determine.

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

10. All obligations under the Bookbuild and the Placing will be subject to fulfilment or (where applicable) waiver 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 "**Right to terminate under the Placing Agreement**".

11. 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.

12. To the fullest extent permissible by law, neither Peel Hunt, nor the Company, nor any of their respective affiliates, agents, directors, officers or employees shall have any responsibility or liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, neither Peel Hunt, nor the Company, nor any of their respective affiliates, agents, directors, officers or employees shall have any responsibility or liability (including to the extent permissible by law, any fiduciary duties) in respect of the Peel Hunt's conduct of the Placing or of such alternative method of effecting the Placing as Peel Hunt and the Company may determine.

13. The Placing Shares will be issued subject to the terms and conditions of this Announcement and each Placee's commitment to subscribe for Placing Shares on the terms set out herein will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or Peel Hunt's conduct of the Placing.

14. All times and dates in this Announcement may be subject to amendment. Peel Hunt shall notify the Placees and any person acting on behalf of the Placees of any changes.

Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. Peel Hunt's obligations under the Placing Agreement are conditional on customary conditions including (amongst others) (the "**Conditions**"):

1. the Company having complied with its material obligations under the Placing Agreement to the extent that such obligations are required to be performed prior to Admission;

2. the delivery to the Company of certain customary documents;

3. the publication of this Announcement through a RIS by not later than 5:30 p.m. on the date of the Placing Agreement (or by such other time and/or date as the Company and Peel Hunt may agree);

4. the publication of the Placing Results Announcement through a RIS by no later than 8:00 a.m. on 3 September 2021 (or by such other time and/or date as the Company and Peel Hunt may agree);

5. Admission occurring no later than 8:00 a.m. (London time) on 7 September 2021 (or such later time and/or date as Peel Hunt may otherwise agree with the Company) (the "**Closing Date**"); and

6. between the date of the Placing Agreement and Admission there having been no material adverse change in, or any development (including a material and adverse escalation of the Covid-19 pandemic) which is reasonably likely to give rise to or involve a material adverse change in or affecting the condition (financial, operational, legal or otherwise), earnings, results of operation, management, business affairs, solvency or business or financial prospects of the Group (taken as a whole), whether or not arising in the ordinary course of business and whether or not foreseeable at the date of the Placing Agreement ("**Material Adverse Change**").

Peel Hunt may, at its discretion and upon such terms as it thinks fit, waive compliance by the Company with the whole or any part of any of the Company's obligations in relation to certain Conditions or, by agreement in writing between the Company and Peel Hunt, extend the time or date provided for fulfilment of any Conditions in respect of all or any part of the performance thereof. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

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

Neither Peel Hunt, nor the Company, nor any of their respective affiliates, agents, directors, officers or employees shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any Condition to the Placing, nor for any decision they may make as to the satisfaction of any Condition or in respect of the Placing generally, and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of Peel Hunt.

Right to terminate under the Placing Agreement

Peel Hunt is entitled, at any time before Admission, to terminate the Placing Agreement in accordance with its terms in certain circumstances, including (amongst other things):

1. where there has been a breach by the Company of any of the warranties contained in the Placing Agreement or the Company fails to comply with any of its obligations under the Placing Agreement which Peel Hunt considers, acting in good faith, to be materially adverse in the context of the Placing;

2. any statement contained in the Placing Documents has, in the opinion of Peel Hunt, been discovered to be untrue, incorrect or misleading in any respect which it considers, acting in good faith, to be materially adverse in the context of the Placing;

3. an event occurs or matter arises on or after the date of the Placing Agreement and before Admission which, if it had occurred or arisen before the date of the Placing Agreement, would have rendered any of the warranties contained in the Placing Agreement to be untrue or incorrect, and Peel Hunt, acting in good faith, consider such event or matter to be materially adverse in the context of the Placing;

4. there has been a breach of any provision of the agreement pursuant to which the Acquisition described in this Announcement will take place (the "**Acquisition Agreement**") by any vendor party to it which, Peel Hunt acting in good faith, considers to be material in the context of the Placing or, in the opinion of Peel Hunt acting in good faith, any event has occurred or matter has arisen after entry into the Acquisition Agreement which had it occurred or arisen prior to entry into the Acquisition Agreement would have been such a breach;

5. any of the Conditions in the Placing Agreement shall have become incapable of fulfilment before the latest time provided in the Placing Agreement and has not been waived by Peel Hunt according to the terms of the Placing Agreement; or

6. there has been (a) a suspension or material limitation of (i) trading of any securities of the Company on the London Stock Exchange or on any exchange or over-the-counter market; (ii) trading generally on the London Stock Exchange, the New York Stock Exchange or the Nasdaq Stock Market, or any over-the-counter market; (iii) a fixing of minimum and maximum prices for trading, or the imposition of a requirement for maximum ranges for prices by any of the said exchanges or by such system or by order of any government authority; or (iii) a material disruption in commercial banking or securities settlement or clearance services in the United States or the United Kingdom; (b) a general moratorium on commercial banking activities in London declared by the relevant authorities; (c) any declaration, outbreak, escalation, or threatening of war or other hostilities or the occurrence of any acts of terrorism involving the UK or the USA or the declaration by either of a national emergency; (d) a material change in taxation materially adversely affecting the Group taken as a whole or its prospects or the Placing; (e) any other occurrence of any kind which (by itself or together with any other such occurrence) in the opinion of Peel Hunt acting in good faith, is likely to materially and adversely affect the market's perception of the Company or the financial position or trading position or prospects of the Group taken as a whole; (f) any other crisis of international or national effect or any change in any financial, political, economic or market conditions or in market sentiment or any other calamity or crisis which, in any case, in the opinion of Peel Hunt acting in good faith, is materially adverse to the Placing, and which in the case of (a)-(f), Peel Hunt considers, acting in good faith, makes it impracticable or inadvisable to proceed with the Placing.

Upon termination, the parties to the Placing Agreement shall be released and discharged (except for any liability arising before or in relation to such termination) from their respective obligations under or pursuant to the Placing Agreement, subject to certain exceptions.

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

Lock-up Arrangements

Subject to certain customary exceptions, the Company has undertaken to Peel Hunt that, between the date of Admission and for 45 days thereafter, it will not, without the prior written consent of Peel Hunt (such consent not to be unreasonably withheld or delayed), issue any relevant securities (as defined in the Companies Act).

By participating in the Placing, each Placee agrees that the exercise by Peel Hunt of any power to grant consent to the undertaking by the Company of a transaction which would otherwise be subject to the lock-up provisions under the Placing Agreement shall be within the discretion of Peel Hunt (subject to the requirement that such consent shall not be unreasonably withheld or delayed) and that it need not make any reference to, or consult with the Placees and that it shall have no liability to Placees whatsoever in connection with any such exercise of the power to grant consent.

Registration and Settlement

Settlement of transactions in the Placing Shares (ISIN:GB0000055888) following Admission will take place within the system administered by Euroclear UK & Ireland Limited ("**CREST**"), subject to certain exceptions. Peel Hunt reserves the right to require settlement for, and delivery of, the Placing Shares (or any part thereof) to Placees by such other means that they may deem necessary if delivery or settlement is not possible or practicable within the CREST system or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

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

The Company will deliver the Placing Shares to a CREST account operated by Peel Hunt as agent for the Company and Peel Hunt will enter its delivery instruction into the CREST system. The input to CREST by a Placee of a matching or acceptance instruction will then allow delivery of the relevant Placing Shares to that Placee against payment.

It is expected that settlement in respect of the Placing Shares will take place on 7 September 2021 on a delivery versus payment basis.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of four percentage points above the Bank of England's base rate from time to time but 4% per year for any period during which that base rate is below zero.

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

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

Representations, warranties, undertakings and acknowledgements

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

General

1. it has read and understood this Announcement in its entirety and its subscription for Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained herein and it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with the Placing, the Company, the Placing Shares or otherwise other than the information contained in the Placing Documents and the Publicly Available Information;

2. the Ordinary Shares are admitted to listing to the premium listing segment of the Official List of the FCA and are admitted to the London Stock Exchange to trading on its main market for listed securities, and that the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of the London Stock Exchange and/or the FCA, which includes a description of the Company's business and the Company's financial information, including balance sheets and income statements, and that it is able to obtain or has access to such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other publicly traded companies, without undue difficulty;

3. the person whom it specifies for registration as holder of the Placing Shares will be (a) itself or (b) its nominee, as the case may be. Neither Peel Hunt nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar taxes or duties imposed in any jurisdiction (including interest and penalties relating thereto) ("**Indemnified Taxes**"). Each Placee and any person acting on behalf of such Placee agrees to indemnify the Company and Peel Hunt on an after-tax basis in respect of any Indemnified Taxes;

4. neither Peel Hunt nor any of its affiliates agents, directors, officers and employees accepts any responsibility for any acts or omissions of the Company or any of the directors of the Company or any other person in connection with the Placing;

5. time is of the essence as regards its obligations under this Announcement;

6. 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 Peel Hunt;

No distribution of Announcement

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

No prospectus

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

Purchases by Peel Hunt for its own account

9. in connection with the Placing, Peel Hunt and any of its affiliates acting as an investor for its own account may subscribe for Placing Shares in the Company and in that capacity may retain, purchase or sell for its own account such Placing Shares in the Company and any securities of the Company or related investments and may offer or sell such securities or other investments otherwise than in connection with the Placing. Accordingly, references in this Announcement to the Placing Shares being issued, offered or placed should be read as including any issue, offering or placement of such shares in the Company to Peel Hunt or any of its affiliates acting in such capacity;

10. Peel Hunt and its affiliates may enter into financing arrangements and swaps with investors in connection with which Peel Hunt and any of its affiliates may from time to time acquire, hold or dispose of such securities of the Company, including the Placing Shares;

11. Peel Hunt does not intend to disclose the extent of any investment or transactions referred to in paragraphs 9 and 10 above otherwise than in accordance with any legal or regulatory obligation to do so;

No fiduciary duty or client of Peel Hunt

12. Peel Hunt does not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement;

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

No responsibility of Peel Hunt for information

14. the content of the Placing Documents and the Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and neither Peel Hunt nor any of its affiliates agents, directors, officers or employees nor any person acting on behalf of any of them is responsible for or has or shall have any responsibility or liability for any information, representation or statement contained in, or omission from, the Placing Documents, the Publicly Available Information or otherwise nor will they be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or statement contained in the Placing Documents, the Publicly Available Information or otherwise, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by such person;

Reliance on information regarding the Placing

15.

(a) the only information on which it is entitled to rely on and on which such Placee has relied in committing itself to subscribe for Placing Shares is contained in the Placing Documents, or any Publicly Available Information (save that in the case of Publicly Available Information, a Placee's right to rely on that information is limited to the right that such Placee would have as a matter of law in the absence of this paragraph 15(a), such information being all that such Placee deems necessary or appropriate and sufficient to make an investment decision in respect of the Placing Shares);

(b) it has neither received nor relied on any other information given, or representations, warranties or statements, express or implied, made, by Peel Hunt or the Company or any of their respective affiliates, agents, directors, officers or employees acting on behalf of any of them (including in any management presentation delivered in respect of the Bookbuild) with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of any information contained in the Placing Documents, or the Publicly Available Information or otherwise;

(c) neither Peel Hunt nor the Company, nor any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has provided, nor will provide, it with any material or information regarding the Placing Shares or the Company or any other person other than the information in the Placing Documents or the Publicly Available Information; nor has it requested Peel Hunt, the Company, any of their respective affiliates or any person acting on behalf of any of them to provide it with any such material or information; and

(d) neither Peel Hunt nor the Company will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;

Conducted own investigation and due diligence

16. it may not rely, and has not relied, on any investigation that Peel Hunt, any of their affiliates or any person acting on their behalf, may have conducted with respect to the Placing Shares, the terms of the Placing or the Company, and none of such persons has made any representation, express or implied, with respect to the Company, the Placing, the Placing Shares or the accuracy, completeness or adequacy of the information in the Placing Documents, the Publicly Available Information or any other information;

17. in making any decision to subscribe for Placing Shares it:

(a) has such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing for the Placing Shares;

(b) will not look to Peel Hunt for all or part of any such loss it may suffer;

(c) is experienced in investing in securities of this nature in this sector and is aware that it may be required to bear, and is able to bear, the economic risk of an investment in the Placing Shares;

(d) is able to sustain a complete loss of an investment in the Placing Shares;

(e) has no need for liquidity with respect to its investment in the Placing Shares;

(f) has made its own assessment and has satisfied itself concerning the relevant tax, legal, currency and other economic considerations relevant to its investment in the Placing Shares; and

(g) has conducted its own due diligence, examination, investigation and assessment of the Company, the Placing Shares and the terms of the Placing and has satisfied itself that the information resulting from such investigation is still current and relied on that investigation for the purposes of its decision to participate in the Placing;

Capacity and authority

18. it is subscribing for the Placing Shares for its own account or for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the acknowledgements, representations and agreements contained in this Announcement;

19. it is acting as principal only in respect of the Placing or, if it is acting for any other person, it is:

(a) duly authorised to do so and has full power to make the acknowledgments, representations and agreements herein on behalf of each such person; and

(b) and will remain liable to the Company and/or Peel Hunt for the performance of all its obligations as a Placee in respect of the Placing (regardless of the fact that it is acting for another person);

20. it and any person acting on its behalf is entitled to subscribe for the Placing Shares under the laws and regulations of all relevant jurisdictions that apply to it and that it has fully observed such laws and regulations, has capacity and authority and is entitled to enter into and perform its obligations as a subscriber of Placing Shares and will honour such obligations, and has obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may be required thereunder and complied with all necessary formalities to enable it to commit to this participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Announcement) and will honour such obligations and that it has not taken any action or omitted to take any action which will or may result in Peel Hunt, the Company or any of their respective directors, officers, agents, employees or advisers acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing;

21. where it is subscribing for Placing Shares for one or more managed accounts, it is authorised in writing by each managed account to subscribe for the Placing Shares for each managed account;

22. it irrevocably appoints any duly authorised officer of Peel Hunt as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares for which it agrees to subscribe for upon the terms of this Announcement;

Excluded territories

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

24. the Placing Shares may not be offered, sold, or delivered or transferred, directly or indirectly, in or into the above jurisdictions or any jurisdiction (subject to certain exceptions) in which it would be unlawful to do so and no action has been or will be taken by any of the Company, Peel Hunt or any person acting on behalf of the Company or Peel Hunt that would, or is intended to, permit a public offer of the Placing Shares in the United States, Australia, New Zealand, Canada, Japan or the Republic of South Africa or any country or jurisdiction, or any state, province, territory or jurisdiction thereof, where any such action for that purpose is required;

25. unless otherwise specifically agreed with Peel Hunt, it is not and at the time the Placing Shares are subscribed for, neither it nor the beneficial owner of the Placing Shares will be, a resident of, nor have an address in, Australia, New Zealand, Japan, the Republic of South Africa or any province or territory of Canada;

26. if it is a Placee in or resident in Canada, it (i) is an "accredited investor" as defined in Section 1.1 of National Instrument 45-106 - *Prospectus Exemptions* (**"NI 45-106"**) or subsection 73.3(1) of the Securities Act (Ontario) (the **"OSA"**), as applicable, and it is either purchasing the Placing Shares as principal for its own account, or it is deemed to be purchasing the Placing Shares as principal for its own account in accordance with applicable Canadian securities laws and not as agent for the benefit of another person or as trustee for investment only and not with a view to resale or redistribution; (ii) was not created or used solely to purchase or hold the Placing Shares as an accredited investor under NI 45-106; (iii) is a "permitted client" as defined in section 1.1 of National Instrument 31-103 - *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**"NI 31-103"**) that is not an individual; (iv) is resident in either the Province of Alberta, British Columbia, Ontario or Quebec and entitled under applicable Canadian securities laws, including the securities laws applicable to such Province, to purchase the Placing Shares without the benefit of a prospectus; and (v) if required by applicable Canadian securities laws, it will execute, deliver and file or assist the Company in obtaining, preparing and filing such reports, undertakings and other documents relating to the purchase of the Placing Shares by it as may be required by any Canadian securities commission or other regulatory authority;

27. it understands, and each account it represents has been advised that, (i) any offer and sale of the Placing Shares in Canada is being made on a private placement basis only and is exempt from the requirement that the Company prepares and files a prospectus under applicable Canadian securities laws; and (ii) any resale of the Placing Shares into Canada must be made in accordance with applicable Canadian securities laws, which may vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with Canadian prospectus requirements, a statutory exemption from the prospectus requirements, in a transaction exempt from the prospectus requirements or otherwise under a discretionary exemption from the prospectus requirements granted by the applicable local Canadian securities regulatory authority and that these resale restrictions may under certain circumstances apply to resales of the Placing Shares outside of Canada;

28. it may be asked to disclose in writing or orally to Peel Hunt:

    (a) if he or she is an individual, his or her nationality; or

    (b) if he or she is a discretionary fund manager, the jurisdiction in which the funds are managed or owned;

Compliance with US securities laws

29. it understands that the Placing Shares have not been, and will not be, registered under the US 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 US Securities Act, or pursuant to an exemption from the registration requirements of the US Securities Act and in accordance with applicable state securities laws;

30. it will not distribute, forward, transfer or otherwise transmit this Announcement or any part of it, or any other presentational or other materials concerning the Placing in or into or from the United States (including electronic copies thereof) to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;

31. represents and warrants that (i) it is outside of the United States, not acting on a non-discretionary basis for the account or benefit of a person located within the United States at the time the undertaking to acquire the Placing Shares is given and is otherwise acquiring the Placing Shares in an "offshore transaction" meeting the requirements of Regulation S under the US Securities Act or (ii) if in the United States, it is a "qualified institutional buyer" as defined in, and in reliance on, Rule 144A under the US Securities Act and will duly execute a US investor letter and deliver the same to the bank that will be provided to it by Peel Hunt;

32. represents and warrants that none of it, its affiliates, or anyone acting on its or their behalf is acquiring any of the Placing Shares as result of any form of general solicitation or general advertising (within the meaning of Rule 502(c) of Regulation D under the US Securities Act) or directed selling efforts (as defined in Regulation S under the US Securities Act);

Compliance with EEA selling restrictions and the EU Prospectus Regulation

33. if in a member state of the EEA, unless otherwise specifically agreed with Peel Hunt in writing, it is a Qualified Investor;

34. it has not offered or sold and will not offer or sell any Placing Shares to persons in the EEA except to Qualified Investors or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the EEA within the meaning of the EU Prospectus Regulation;

35. if a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation, the Placing Shares subscribed for by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA which has implemented the EU Prospectus Regulation other than Qualified Investors, or in circumstances in which the prior consent of Peel Hunt has been given to each proposed offer or resale;

Compliance with UK Prospectus Regulation, FSMA, the UK financial promotion regime and MAR

36. if in the United Kingdom, that it is a UK Qualified Investor;

37. 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 Financial Services and Markets Act 2000, as amended ("**FSMA**");

38. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and it acknowledges and agrees that the Placing Documents have not and will not have been approved by Peel Hunt 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;

39. it has complied and will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the Placing Shares (including all applicable provisions in FSMA and MAR in respect of anything done in, from or otherwise involving, the United Kingdom);

Compliance with laws

40. if it is a pension fund or investment company, its subscription for Placing Shares is in full compliance with applicable laws and regulations;

41. it has complied with its obligations under the Criminal Justice Act 1993 and Articles 8, 10 and 12 of MAR and in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000, the Anti-terrorism, Crime and Security Act 2001, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and any related or similar rules, regulations or guidelines, issued, administered or enforced by any government agency having jurisdiction in respect thereof (the "**Regulations**") and the Money Laundering Sourcebook of the FCA and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;

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

43. represents and warrants that its participation in the Placing would not give rise to an offer being required to be made by it or any person with whom it is acting in concert pursuant to Rule 9 of the City Code on Takeovers and Mergers;

Depositary receipts and clearance services

44. 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 (depositary receipts and clearance services) and that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to issue or transfer Placing Shares into a clearance service;

Undertaking to make payment

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

Money held on account

46. any money held in an account with Peel Hunt on behalf of the Placee and/or any person acting on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA made under the FSMA. Each Placee acknowledges that the money will not be subject to the protections conferred by the client money rules: as a consequence this money will not be segregated from Peel Hunt's money in accordance with the client money rules and will be used by Peel Hunt in the course of its business and the Placee will rank only as a general creditor of Peel Hunt;

Allocation

47. its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares which it will be entitled, and required, to subscribe for, and Peel Hunt or the Company 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;

No recommendation

48. neither Peel Hunt, nor any of its affiliates nor any person acting on behalf of it, is making any recommendations to it or advising it regarding the suitability or merits of any transactions it may enter into in connection with the Placing, and that neither Peel Hunt, nor any of its affiliates nor any person acting on its behalf has any duties or responsibilities to it 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 Peel Hunt's rights and obligations thereunder, including any right to waive or vary any condition or exercise any termination right contained therein;

Inside information

49. if it has received any 'inside information' (for the purposes of MAR and section 56 of the Criminal Justice Act 1993) in relation to the Company and its securities in advance of the Placing, it confirms that it has received such information within the market soundings regime provided for in article 11 of MAR and associated delegated regulations and it has not:

    (a) used that inside information to acquire or dispose of securities of the Company or financial instruments related thereto or cancel or amend an order concerning the Company's securities or any such financial instruments;

    (b) used that inside information to encourage, require, recommend or induce another person to deal in the securities of the Company or financial instruments related thereto or to cancel or amend an order concerning the Company's securities or such financial instruments; or

    (c) disclosed such information to any person except as permitted by MAR, prior to the information being made publicly available;

Rights and remedies

50. the rights and remedies of the Company and Peel Hunt under the terms and conditions in this Announcement are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others; and

Governing law and jurisdiction

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

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

Indemnity

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

Taxation

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

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

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

No statement in the Placing Documents is intended to be a profit forecast or estimate, and no statement in the Placing Documents should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the main market for listed securities of the London Stock Exchange.

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

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) the UK's implementation of EU Directive 2014/65/EU on markets in financial instruments, as amended ("**UK MiFID II**"); and (b) the UK's implementation of Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing UK MiFID II, and in particular Chapter 3 of the Product Intervention and Product Governance Sourcebook of the FCA (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that such 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 UK MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by UK MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors (such term to have the same meaning as in the MiFID II Product Governance Requirements) should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The 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, Peel Hunt will only procure investors (pursuant to the Placing) 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 UK 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.

DEFINITIONS

"**Admission**"	means admission of the Placing Shares to the premium listing segment of the Official List of the UK Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange plc;
"**Announcement**"	means this announcement (including the Appendix and information contained therein);
"**Bookbuild**"	means the accelerated bookbuilding to be conducted by Peel Hunt pursuant to and subject to the terms and conditions set out in the Placing Agreement and this Announcement;

"Business Day"	any day on which banks are usually open for business in England and Wales for the transaction of sterling business, other than a Saturday, Sunday or public holiday;
"Company" or "discoverIE"	means discoverIE Group plc;
"Companies Act"	means the Companies Act 2006, as amended;
"CREST"	means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations);
"EEA"	means the European Economic Area;
"EU Prospectus Regulation"	means EU Prospectus Regulation 2017/1129;
"FCA"	means the Financial Conduct Authority;
"Group"	means discoverIE Group plc and its subsidiary undertakings;
"London Stock Exchange"	means London Stock Exchange plc;
"MAR"	means the Market Abuse Regulation (EU) No. 596/2014 (as amended) as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended) (incorporating the technical standards, delegated regulations and guidance notes, published by the European Commission, London Stock Exchange, the FCA and the European Securities and Markets Authority);
"Ordinary Shares"	means the ordinary shares of 5 pence each in the capital of the Company;
"Peel Hunt"	means Peel Hunt LLP;
"Placee"	means any person subscribing for and/or purchasing Placing Shares pursuant to the Placing;
"Placing"	means the placing of the Placing Shares at the Placing Price pursuant to the Placing Agreement;
"Placing Agreement"	means the agreement dated 2 September 2021 between the Company and Peel Hunt relating to the Placing;
"Placing Price"	means the price per Placing Share, to be determined at the close of the Bookbuild;
"Placing Shares"	means the new ordinary shares to be placed pursuant to the Placing;
"Publicly Available Information"	means any information announced through a RIS by or on behalf of the Company on or prior to the date of this Announcement;
"RIS"	means one of the regulatory information services authorised by the FCA to receive, process and disseminate regulatory information;
"UK Prospectus Regulation"	means the EU Prospectus Regulation 2017/1129 as it forms part of the law of England and Wales as retained EU law as defined in, and by virtue of, the European Union (Withdrawal) Act 2018, as amended;
"United Kingdom"	means the United Kingdom of Great Britain and Northern Ireland;
"United States" or "US"	means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and any other area subject to its jurisdiction; and
"US Securities Act"	means the United States Securities Act of 1933, as amended.

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