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If you have sold or otherwise transferred all of your Shares prior to the ex-entitlement date, please send this document and the accompanying documents (but not any accompanying Form of Proxy or personalised Open Offer Application Form) to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold or transferred only part of your holding of Shares, you should retain this document and the accompanying documents and consult the bank, stockbroker or agent through whom the sale was effected. If you have recently purchased or been transferred Shares and, notwithstanding the instructions above, receive the Form of Proxy or Open Offer Application Form from the transferor of such Shares, you should contact Link Group, the Company's Registrar to obtain a replacement Form of Proxy or Open Offer Application Form.

This document is not a prospectus for the purposes of the Prospectus Regulation Rules and has not been prepared in accordance with the Prospectus Regulation Rules. Accordingly, this document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules. This document does not constitute an offer or an invitation to any person to subscribe for or to purchase or to otherwise deal in any security. None of the securities referred to in this document shall be sold, issued, subscribed for, purchased, exchanged or transferred in any jurisdiction in contravention of applicable law. No New Bonds or Warrants are being offered to any person pursuant to this document.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence in the New Ordinary Shares at 8.00 a.m. on 7 December 2020.

AIM is a market designed primarily for emerging and smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the FCA. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange nor the FCA has examined or approved the contents of this document. This document does not constitute a recommendation regarding securities of the Company.

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GLI FINANCE LIMITED

(a non-cellular company limited by shares incorporated in Guernsey with registered number 43260)

Firm Placing and Open Offer of New Ordinary Shares

Bond Issue and Warrant Issue

ZDP Continuation

Approval of waiver of Rule 9 of the City Code on Takeovers and Mergers

Adoption of New Articles

and

Notices of Class Meetings and Extraordinary General Meeting

Notices of the ZDP Class Meeting, the Ordinary Class Meeting and the Extraordinary General Meeting of the Company to be held at the Company's registered office, Block C, Hirzel Court, Hirzel Street, St Peter Port, Guernsey GY1 2NL, Channel Islands on 4 December 2020, commencing respectively at 10.00 a.m., 10.10 a.m. and 10.20 a.m. (or as soon thereafter as the preceding Meeting concludes or is adjourned), are set out at the end of this document.

Given current measures around the Covid-19 virus and the desire of the Company to protect the health and safety of Shareholders, you will understand that each of the Meetings will be convened with the minimum quorum of Shareholders present in order to conduct the business of the Meeting. The only attendees who will be permitted entry to the Meetings will be those who will need to be present to form the quorum to allow the business to be conducted. Shareholders otherwise entitled to attend and wishing to raise any questions at any of the Meetings should do so by email to info@glifinance.com so as to be received no later than 10.00 a.m. on 2 December 2020. You may not use the email address to communicate with the Company for any purpose other than as expressly stated.

Please complete and return the relevant Forms of Proxy accompanying this document to the Registrar, Link Group, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom during normal business hours as soon as possible and in any event so as to arrive by not later than the time stated in the instructions printed on the relevant Form of Proxy. The action to be taken by Ordinary Shareholders and ZDP Shareholders in respect of the Meetings is set out in paragraph 18 of Part 1 of this document.

The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 2 December 2020. The procedure for application and payment for Qualifying Shareholders is set out in Part 8 of this document, and, where relevant, will be set out in the Open Offer Application Form to be sent to Qualifying non-CREST Shareholders.

The New Ordinary Shares to be issued will, following their issue, rank *pari passu* with the Existing Ordinary Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company.

Liberum Capital Limited (“**Liberum**”), which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to the Company in relation to the Proposals and Admission and is not acting for any other persons in relation to the Proposals and Admission. Liberum is acting exclusively for the Company and for no one else in relation to the matters described in this document and is not advising any other person and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to clients of Liberum, or for providing advice in relation to the contents of this document or any matter referred to in it. The responsibilities of Liberum as the Company’s nominated adviser and broker under the AIM Rules for Companies and the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director, Shareholder or any other person, in respect of his decision to acquire shares in the capital of the Company in reliance on any part of this document, or otherwise.

No liability is accepted by Liberum nor does it make any representation or warranty, express or implied, in relation to the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Proposals and Admission and accordingly Liberum disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this document or any such statement, to the maximum extent permitted by law and the regulations to which it is subject.

The New Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the “**US Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the US Securities Act (“**Regulation S**”)), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. In addition, the Company has not been and will not be registered under the United States Investment Company Act of 1940, (as amended) (the “**US Investment Company Act**”), and the recipient of this document will not be entitled to the benefits of the US Investment Company Act. Outside the United States, the New Ordinary Shares may be sold to non-US Persons pursuant to Regulation S. This document must not be distributed into the United States or to US Persons. Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of these securities or determined if this document is truthful or complete. Any representation to the contrary is a US criminal offence.

This document contains certain forward-looking statements with respect to the Company, its Group and certain of its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements sometimes use words such as ‘aim’, ‘anticipate’, ‘target’, ‘expect’, ‘estimate’, ‘intend’, ‘plan’, ‘goal’, ‘believe’, or other words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in interest rates and foreign exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the success of future strategic transactions and the impact of competition. A number of these factors are beyond the Company’s control. As a result, the Company’s actual future results may differ materially from the plans, goals and expectations set out in the Company’s forward-looking statements. Any forward-looking statements made in this document by or on behalf of the Company speak only as at the date they are made. Except as required by the FCA, the London Stock Exchange or applicable law, the Company, Liberum and their respective directors, officers, employees, agents, managers, members and partners expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any changes in the Company’s expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

Your attention is drawn to risk factors set out at pages 36 to 41 of this document and the letter from the Chairman of the Company in Part 1 of this document, which sets out the “Action to be taken” at paragraph 18 and contains at paragraph 20 the unanimous recommendation of your Board that you vote in favour of the Proposals at the Class Meetings and the Extraordinary General Meeting.

SUMMARY OF ACTION TO BE TAKEN

IN RESPECT OF THE MEETINGS:

ZDP Shareholders, to vote:

At the ZDP Class Meeting	➔	Complete and return the Pink Form of Proxy
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At the EGM ¹	➔	Complete and return the White Form of Proxy
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Ordinary Shareholders, to vote:

At the Ordinary Class Meeting	➔	Complete and return the Blue Form of Proxy
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At the EGM	➔	Complete and return the White Form of Proxy
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Shareholders will be prevented from attending each of the Meetings in person and are instead strongly encouraged to complete and return the relevant enclosed Form of Proxy in accordance with the instructions printed thereon and in this document. Shareholders otherwise entitled to attend and wishing to raise any questions at any of the Meetings should do so by email to info@glifinance.com so as to be received no later than 10.00 a.m. on 2 December 2020. You may not use the email address to communicate with the Company for any purpose other than as expressly stated.

IN RESPECT OF THE OPEN OFFER:

Qualifying Shareholders:

Who wish to apply for New Ordinary Shares in the Open Offer	➔	Complete and return the Open Offer Application Form , or send a USE message through CREST
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Who <u>do not</u> wish to apply for New Ordinary Shares in the Open Offer	➔	Take no action
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¹ ZDP Shareholders in respect of Resolution 3 only.

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EXPECTED TIMETABLE

2020

Record Date for entitlements under the Open Offer	close of business on 13 November
Publication of this document, Open Offer opens	17 November
Ex entitlement date for the Open Offer	17 November
Open Offer Entitlements and Excess CREST Open Offer Entitlements enabled in CREST and credited to stock accounts of Qualifying CREST Shareholders	as soon as possible after 8.00 a.m. on 18 November
Recommended latest time and date for requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 25 November
Recommended latest time and date for depositing Open Offer Entitlements and Excess CREST Open Offer Entitlements into CREST	3.00 p.m. on 27 November
Recommended latest time for splitting Open Offer Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 30 November
Latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions	11.00 a.m. on 2 December
Latest time for receipt of pink form of proxy for the ZDP Class Meeting	10.00 a.m. on 2 December
Latest time for receipt of blue form of proxy for the Ordinary Class Meeting	10.10 a.m. on 2 December
Latest time for receipt of white form of proxy for the Extraordinary General Meeting	10.20 a.m. on 2 December
ZDP Class Meeting	10.00 a.m. on 4 December
Ordinary Class Meeting²	10.10 a.m. on 4 December
Extraordinary General Meeting²	10.20 a.m. on 4 December
Publication of the results of the Issue and the Meetings	4 December
Admission and dealings in New Ordinary Shares commence	8.00 a.m. on 7 December
CREST accounts credited with uncertificated New Ordinary Shares	7 December
Where applicable, definitive share certificates despatched by post in the week commencing	14 December

All of the times and dates in the expected timetable may be extended or brought forward without further notice. If any of the above times and/or dates change materially, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through a Regulatory Information Service provider.

All references to time in this document are to UK time.

² Or as soon thereafter as the preceding Meeting concludes or is adjourned.

ISSUE STATISTICS

The Issue (the Placing and Open Offer)

Issue Price	2.25 pence per New Ordinary Share
Number of Existing Ordinary Shares in issue	312,065,699
Number of Firm Placing Shares	77,777,778
Number of Open Offer Shares	up to 100,000,000
Ratio of Open Offer Shares	1,583 New Ordinary Shares for every 4,940 Existing Ordinary Shares
Number of New Ordinary Shares to be issued pursuant to the Issue	up to 177,777,778
Enlarged Share Capital immediately following the Issue*	489,843,477
New Ordinary Shares as a percentage of the Enlarged Share Capital following the Issue*	36.29 per cent.
Target Gross Issue Proceeds**	£4 million
Net Issue Proceeds***	approximately £3.5 million

* Assuming the maximum number of New Ordinary Shares, as set out in this table, are issued pursuant to the Issue. The total number of New Ordinary Shares to be issued pursuant to the Issue is not known as at the date of this document but will be determined by take up under the Open Offer and will be notified by an RIS announcement prior to Admission.

** Excluding the proceeds of the Bond Issue.

*** Assuming the maximum Gross Issue Proceeds of £4 million. The total number of New Ordinary Shares to be issued pursuant to the Issue, and therefore the Gross Issue Proceeds, is not known as at the date of this document but will be notified by the Company by way of an RIS announcement prior to Admission.

DEALING CODES

ISIN – Open Offer Entitlement	GG00BMHXFD39
SEDOL – Open Offer Entitlement	BMHXFD3
ISIN – Excess Entitlement	GG00BMYPC756
SEDOL – Excess Entitlement	BMYPC75
ISIN – Ordinary Shares	GB00B0CL3P62
SEDOL – Ordinary Shares	B0CL3P6
Ticker – Ordinary Shares	GLIF
ISIN – ZDP Shares	GG00BTDYD136
SEDOL – ZDP Shares	BTDYD13
Ticker – ZDP Shares	GLIZ

PART 1

CHAIRMAN'S LETTER

GLI FINANCE LIMITED

(a non-cellular company limited by shares incorporated in Guernsey with registered number 43260)

Directors:

Patrick Firth (*Independent Non-Executive Chairman*)
Andrew Whelan (*Executive Director*)
Emma Stubbs (*Executive Director*)
John Whittle (*Independent Non-Executive Director*)
Nick Wakefield (*Non-Executive Director*)

Registered Office:

Block C, Hirzel Court
Hirzel Street
St. Peter Port
Guernsey
GY1 2NL
Channel Islands

17 November 2020

To Ordinary Shareholders and ZDP Shareholders

Dear Shareholder

Firm Placing and Open Offer of New Ordinary Shares, Bond Issue and Warrant Issue, ZDP Continuation, Panel Waiver and Business Restructuring

1. Introduction

Your Board today announced proposals for an Issue of New Ordinary Shares by way of a Firm Placing and Open Offer, a Bond Issue combined with a Warrant Issue, the continuation of the ZDP Shares to 5 December 2022, the Panel Waiver and the Business Restructuring of the Group.

The Company has experienced a significant period of challenging trading, which has been reflected in the market price of its Ordinary Shares. The Board has seen diminishing returns from FinTech Ventures, its portfolio of SME-focussed lending platforms, which has suffered from increased competition, the impact of the Covid-19 pandemic and, due to its size, difficulty in raising additional equity. While the pandemic temporarily impacted the Group's property backed and SME-lending business, Sancus BMS Group, trading has been recovering and management have maintained a keen focus on efficient capital allocation and cost management.

The Board now believes that the only investment of the Group that has any significant tangible value and potential for substantial growth is the Sancus BMS Group. The Board therefore intends to restructure the business, focusing its resources on delivering the business plan for this secured property focussed lending business. The Board also intends to rebrand the Company under a new corporate name to reflect this focus, and expects to put a resolution to Shareholders in that regard at the Company's next annual general meeting.

The Company has the support of Somerston Group, its largest Shareholder. Somerston Fintech and Golf have each signed an irrevocable undertaking in respect of the Proposals, subject to certain conditions as described at paragraph 13 below. Further details of Somerston's participation in the Proposals are set out in this document. Following announcement of the Board's intention to conduct a restructuring and refinancing in the Group's interim results on 30 September 2020, management has received commitments of support for the transaction from other key Shareholders.

The Company now proposes a transaction to recapitalise the Company, supported by total funding commitments of £8.95 million from Somerston Group that comprises:

- a restructuring of the Group's business to focus on the Sancus BMS Group;
- raising up to approximately £4 million of new equity by way of the issue of New Ordinary Shares pursuant to the Firm Placing and Open Offer at an Issue Price of 2.25 pence per New Ordinary Share, which represents the closing mid-market share price on 16 November 2020;

- the ZDP Continuation such that the payment of the final capital entitlement of the ZDP Shares is deferred until December 2022;
- refinancing the Existing Bonds by the issue of up to £15 million in New Bonds with a maturity date in five years' time (together with Warrants exchangeable into Ordinary Shares at an exercise price of 2.25 pence per Ordinary Share); and
- the increase and extension of the Group's credit facility with Honeycomb Investment Trust.

Certain of the Shareholders, being Somerston Fintech, Golf, Neslo, Lexo Investments Limited, and La Hauteur Investments Limited, are regarded to be acting in concert for the purposes of the Takeover Code. Upon completion of the Open Offer and the Placing, the Concert Party may be interested in up to 221,454,180 New Ordinary Shares, representing approximately 49.97 per cent. of the voting rights of the Company (assuming no subsequent changes to the share capital of the Company). Upon implementation of the Proposals and exercise in full at the earliest opportunity of the maximum potential number of Warrants to be granted to Somerston Fintech and Neslo, the Concert Party may be interested in up to 314,521,312 Ordinary Shares, representing approximately 58.65 per cent. of the voting rights of the Company (assuming no subsequent changes to the share capital of the Company and no additional subscription for New Bonds or Warrants by the Concert Party). Without the Panel Waiver, these acquisitions would require the Concert Party to make a general offer for the entire issued and to be issued share capital of the Company not already held by the Concert Party. The Panel has agreed to grant the Panel Waiver, subject to the passing of the Waiver Resolution by Independent Shareholders, to be taken on a poll.

The Proposals (with the exception of the increase and extension of the HIT Facility) are inter-conditional and include elements that require the approval of Ordinary Shareholders and ZDP Shareholders at the Meetings. The purpose of this document is to provide you with details of the Proposals and to set out the reasons why the Board recommends that you vote in favour of the Resolutions to be proposed at the Meetings.

This document also sets out the terms of the Open Offer by which Qualifying Shareholders may participate in the Issue.

2. Background to and reasons for the Proposals

The Company is an alternative finance business which aims to produce a stable and predictable cash flow and a double digit return on equity, whilst at least preserving its capital value. As noted in the June 2020 Interim Results, the Company has certain liabilities that fall due in the next 12 months which are noted below:

- the 2020 Final Capital Entitlement in respect of the ZDP Shares is payable on 5 December 2020 in an aggregate amount of approximately £12.4 million³;
- the facility with Honeycomb Investment Trust (the "**HIT Facility**"), which as at 30 June 2020 was drawn down as to £40.8 million, expires on 28 January 2021; and
- the Existing Bonds are repayable on 30 June 2021 in an aggregate principal amount of £10 million, plus accrued interest.

The Company has been considering its options regarding these liabilities and believes the Proposals will address this and ensure the Company is appropriately capitalised to maximise shareholder value. The net proceeds of the Issue and the Bond Issue will be used to repay the Existing Bonds, to finance the potential Tender Offer of ZDP Shares described in paragraph 12 below and to recapitalise the Group following the Business Restructuring.

Since the release of the Company's interim results on 30 September 2020, the Company has continued to witness encouraging new loan origination as other lenders pull back from the market (and, in some cases, ceased trading), and in the UK especially, it has a large pipeline of loans. With the extension of the HIT Facility as part of the Proposals this will allow the UK and Irish loan books in particular to grow significantly.

³ On the assumption that 8,782,388 ZDP Shares are in issue and not held by the Company in treasury on 5 December 2020, which is the number of such ZDP Shares as at the date of this document.

3. Trading update and fintech portfolio

Group trading for the third quarter of 2020 has continued on the same trajectory as seen in the first half of 2020. Despite seeing a decrease in new loan deployments compared to prior years due to lockdown restrictions, the Group has continued to write new business whilst maintaining a keen focus on cost control. The pipeline of loan origination remains strong, particularly in the UK and Ireland; the Group's largest jurisdictions and where the Group's future focus lies.

As part of its review of the Group's operations and loan book in connection with the proposed Business Restructuring, the Board has identified potential for provisions and write-downs of assets which may need to be adopted as part of its 2020 year-end audit. In particular, the refinancing of a development loan, against which the Group has previously taken a partial write-down, has faced further delays and challenges in securing repayment and may need to be fully provided for, which would result in a write down of £1 million.

Furthermore, as set out in this Part 1, the Group has seen diminishing returns from its Fintech Ventures division, which at 30 June 2020 had net assets of £2.5m. The Board recognise the risks and challenges to the valuation of this portfolio of SME-focussed lending platforms, as prolonged stresses to portfolio profitability and cash flow necessitate the need for additional equity and working capital, and a review at the time of the year-end audit could lead to a partial or full write-down of the Fintech Ventures portfolio.

4. Importance of voting on the Proposals

The Board believes that there is strong support amongst Ordinary Shareholders and ZDP Shareholders for the Proposals.

In the event that Shareholders do not vote in favour of the Proposals at the Meetings, then the terms of the ZDP Shares will remain unchanged and the fundraising elements of the Proposals will not occur. Accordingly, the Company would be required to pay the 2020 Final Capital Entitlement on 5 December 2020 and to repay the amounts outstanding under the Existing Bonds in June 2021.

If the Resolutions are not passed, the Board believes there is a material risk that the Company may not have sufficient cash resources to pay the 2020 Final Capital Entitlement in full in a manner that would satisfy the solvency test set out under Guernsey company law.

In the event that the Company is required to pay the 2020 Final Capital Entitlement and has insufficient cash resources to lawfully do so then, in accordance with the Existing Articles, the Company shall redeem such number of ZDP Shares (on a pro-rata basis amongst ZDP Shareholders) as it is lawfully able to redeem on 5 December 2020, and thereafter shall redeem further ZDP Shares in tranches (on a pro-rata basis amongst ZDP Shareholders) as and when it is lawfully able to do so. In such circumstances, the Board considers that there may be an adverse reaction amongst the Group's loan funder network, which may disrupt the Company's operations and prejudice the ability of the Group to effectively pursue its lending business. The Board considers that such a situation would pose a material risk to the financial and trading position of the Group.

The Board believes that in the event that the Proposals are not approved by Shareholders at the Meetings, then alternative sources of debt or equity financing are very unlikely to be available, or be available on preferential terms. The Group could then face administration or other insolvency proceedings which would, in the Board's opinion, result in Shareholders receiving no value for their current shareholdings.

THE RESOLUTIONS ARE INTER-CONDITIONAL, SUCH THAT IF ANY OF THE RESOLUTIONS ARE NOT PASSED, THE PROPOSALS WILL NOT BE IMPLEMENTED.

5. The Business Restructuring

The Group's strategy is to maximise Shareholder value through growing the profitability of its core business, Sancus BMS Group, and realising value from its investments in FinTech Ventures. However, the Board considers that there are significant obstacles to achieving realisable value for Shareholders from its portfolio of Fintech assets. Accordingly, the Board has determined to restructure the business of the Group to focus solely on the Sancus BMS Group. The Company intends to simplify the Group

corporate structure, rename the Company and adopt a new remuneration policy designed to align the interests of the employees and shareholders and which provides adequate incentives.

The overall objective will be to achieve profitable growth of the property-backed lending book across appropriate risk spectrums, supported by a robust credit process and rigorous control of operating expenses.

The business will be capital efficient and recognise the different nature of origination in offshore locations and the UK and Ireland where Sancus BMS Group has adopted a more scalable model.

The Board will also review the Group's minority holdings in certain other subsidiary and joint venture undertakings.

6. Change of name

If the Proposals are approved, the focus of the Company's business and strategy will be changed as set out in paragraph 5 above. The Board considers that it would be appropriate to change the name of the Company in order to better reflect the refocused business and expects to put a resolution to Shareholders in that regard at the Company's next annual general meeting.

7. The Issue

The Board has given careful consideration as to the structure of the fundraising aspects of the Proposals, including alternative sources of financing, and has concluded that the Firm Placing and Open Offer is the most suitable option available to the Company and its Shareholders at this time.

7.1 The Firm Placing

Conditional upon the Issue proceeding, the Company has agreed with Somerston Fintech that pursuant to the Firm Placing, it will subscribe directly for 77,777,778 New Ordinary Shares at the Issue Price. The Company has contracted directly with Somerston Fintech for the subscription of all of the Firm Placing Shares.

The Firm Placing Shares, the issue of which would raise gross proceeds of £1,750,000, are not subject to clawback and are not part of the Open Offer.

Somerston Group is a major Shareholder in the Company and has been so since 2016, holding its interest in the Company via Somerston Fintech and Golf. Somerston Group is a privately owned group of companies headquartered in Jersey. With its origins in shipping, Somerston Group now primarily focuses on real estate investment and development internationally as well as making private equity and venture capital investments. Somerston Group has held strategic interests in a number of listed companies. Further details on Somerston Group are available to view at www.somerston.com.

The issue of the Firm Placing Shares will lead to the dilution of existing Shareholders' interests in the Company, as set out in paragraph 7 of Part 2 of this document.

7.2 The Open Offer

Conditional upon completion of the Firm Placing, Qualifying Shareholders are being offered the opportunity, under the Open Offer, to apply for New Ordinary Shares at a ratio of 1,583 New Ordinary Shares for every 4,940 Existing Ordinary Shares held and registered in their name as at the Record Date. The maximum number of New Ordinary Shares which will be issued pursuant to the Open Offer will be 100,000,000. New Ordinary Shares issued to Qualifying Shareholders under their basic Open Offer Entitlements are not subject to scaling back.

Any allocation of New Ordinary Shares not taken up by Qualifying Shareholders pursuant to the Open Offer will be made available under the Excess Application Facility. Applications in the Excess Application Facility from Qualifying Shareholders other than Somerston Fintech and Golf will be given priority in allocation of New Ordinary Shares under the Excess Application Facility. Otherwise, there will be no priority given to applications under the Open Offer.

Somerston Fintech and Golf have irrevocably undertaken to take up their full Open Offer Entitlement under the Open Offer (being 10,319,086 and 16,283,483 New Ordinary Shares respectively) and, further, for Somerston Fintech and Golf to apply in the Excess Application Facility for an additional 10,368,813 and 16,361,952 New Ordinary Shares, respectively. Somerston Fintech and Golf's application in the Excess Application Facility is subject to scaling back to the extent that Qualifying Shareholders other than Somerston Fintech and Golf apply for New Ordinary Shares under the Excess Application Facility, as referred to above. The remaining members of the Concert Party have indicated that they are unlikely to participate in the Open Offer or apply for New Ordinary Shares under the Excess Application Facility.

The effect of Somerston Fintech and Golf's irrevocable undertaking in respect of the Open Offer as described above is that Somerston Fintech and Golf have agreed to effectively underwrite the Open Offer as to 53,333,334 New Ordinary Shares, to raise gross proceeds of a further £1,200,000 in addition to Somerston Fintech's £1,750,000 subscription in the Firm Placing. The Board considers it important that Shareholders be given the opportunity to participate in the Issue, hence the Open Offer and the scaling back of Somerston Fintech and Golf's applications under the Excess Application Facility.

Somerston Fintech's participation in the Firm Placing, the Open Offer and the Bond Issue (as detailed below), and Golf's participation in the Open Offer, are conditional upon the HIT Facility Renegotiation (as set out in paragraph 13) being completed prior to the Meetings. Somerston Fintech and Golf are entitled, at their sole discretion, to waive the satisfaction of this condition.

Qualifying Shareholders may apply to acquire less than their Open Offer Entitlement should they so wish.

Qualifying Shareholders who take up all of their Open Offer Entitlements may also apply under the Excess Application Facility for additional New Ordinary Shares in excess of their Open Offer Entitlement. The Excess Application Facility will comprise such number of New Ordinary Shares as have not been taken up under the Open Offer after all Qualifying Shareholders have received their Open Offer Entitlement in full.

Shareholders should note that the Open Offer is not a rights issue. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Shareholders should note that the Open Offer Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should be aware that in the Open Offer, unlike in a rights issue, any New Ordinary Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer, but may be made available under the Excess Application Facility.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, is set out in Parts 2 and 8 of this document and, where relevant, in the Open Offer Application Form.

The issue of New Ordinary Shares in the Open Offer may lead to the dilution of existing Shareholders' interests in the Company, as set out in paragraph 7 of Part 2 of this document.

8. The Bond Issue and Warrant Issue

NO NEW BONDS OR WARRANTS ARE BEING OFFERED TO ANY PERSON PURSUANT TO THIS DOCUMENT.

8.1 The Bond Issue

The Company is proposing to issue New Bonds pursuant to the Bond Issue. The New Bonds will have an interest rate of 7 per cent. per annum (paid quarterly) and a maturity date of 31 December 2025.

The Company has received commitments to subscribe for New Bonds in a principal amount of approximately £8.2 million and is entitled to issue New Bonds up to £15 million in total until the maturity date of the New Bonds. Somerston Fintech has irrevocably committed to subscribe for New Bonds in an aggregate principal amount of £6 million, conditional upon the HIT Facility Renegotiation (as set out in paragraph 13) being completed prior to the Meetings and Shareholder approval of the Proposals, and has indicated that it may subscribe for further New Bonds in a principal amount of up to £2 million. Neslo, a member of the Concert Party, has indicated that it intends to subscribe for New Bonds in an aggregate principal amount of £400,000, also conditional upon Shareholder approval of the Proposals.

The net proceeds of the Bond Issue will be used to repay the Existing Bonds. It is expected that the New Bonds will be issued, and the Existing Bonds will be repaid, on or before 31 December 2020.

The Company may repay the New Bonds in full or in part prior to the maturity date on at least one month's written notice to the relevant holder(s). Other events may give rise to an early redemption of their New Bonds including the occurrence of a change of control of the Company (save where Somerston and persons acting in concert with Somerston acquire such control), a voluntary winding up of the Company (other than for a reorganisation, subject to conditions) or a sale of all or a substantial part of the Company's undertaking or assets. Standard events of default which could lead to the redemption of the New Bonds also apply. Under the Bond Instrument, the Company has undertaken not to issue any further debt securities with a senior ranking to the New Bonds without the prior approval of a majority of the holders of the New Bonds. The New Bonds, following issue, will be not be listed on any stock exchange.

8.2 ***The Warrant Issue***

The Company is proposing to execute the Warrant Instrument constituting the Warrants to subscribe in cash for new Ordinary Shares at a subscription price of 2.25 pence per Ordinary Share. The Warrants will be exercisable on a Business Day, on at least 30 days' notice, in the period to 31 December 2025.

The Warrants will, conditional upon Ordinary Shareholder approval at the EGM, be issued to investors in the Bond Issue on the basis of Warrants in respect of 0.25 per cent. of the Company's issued share capital immediately following Admission being issued for every £100,000 of principal amount of New Bonds issued.

Based on commitments received to subscribe for New Bonds in a principal amount of approximately £8.2 million, Warrants over up to 100,417,913 new Ordinary Shares will be issued. A maximum of up to 183,691,304 Warrants may be issued in total, assuming a New Bond issue of £15 million and full take up under the Open Offer. Somerston Fintech and Neslo will be entitled to receive Warrants in respect of up to 97,968,696 and up to 4,898,435 further Ordinary Shares respectively, under the Warrant Issue in respect of the New Bonds which Somerston Fintech has either irrevocably committed or indicated that it intends to subscribe for and Neslo has indicated that it intends to subscribe for (subject to the issued share capital immediately following Admission, as determined by take up under the Open Offer).

The Warrant Instrument constituting the Warrants contains provisions typically found in such instruments, including those relating to the adjustment of the subscription price or number of Ordinary Shares to be issued on exercise of the Warrants on the occurrence of certain events, protections for the holder(s) of the Warrants and procedures for the modification of the rights of the Warrants. The Warrants may only (save with the consent of the Company) be transferred by the holder to any person to whom a holder of Ordinary Shares may transfer Ordinary Shares in accordance with the Company's Articles and subject to the transfer not being contrary to applicable law or regulation. The holders of the Warrants will have the right to attend and speak at (but not to vote at) any general meeting of the Company for so long as their subscription rights remain outstanding. Application will be made for any new Ordinary Shares that arise on the exercise of the Warrants to be admitted to trading on AIM (or any other stock exchange on which the Ordinary Shares may at the relevant time be admitted to listing or trading).

The issue of new Ordinary Shares pursuant to the exercise of any Warrants will lead to the dilution of existing Shareholders' interests in the Company. The number of new Ordinary Shares

that may be issued upon the full exercise of the Warrants will be equivalent to up to 37.50 per cent. of the issued share capital of the Company immediately following Admission, assuming the maximum New Bond issue of £15 million, leading to the dilution of the interests of the Shareholders in the Company at the time of exercise in full of the Warrants by the same percentage.

9. Related party transaction

Somerston Fintech and Golf are related parties to the Company in accordance with the AIM Rules, by virtue of their shareholding in the Company. Nick Wakefield, Chief Investment Officer of Somerston Group and a director of Golf, is also a non-executive director of the Company. Somerston Fintech is the sole placee in the Firm Placing. Somerston Fintech and Golf have also irrevocably undertaken to participate in the Open Offer in respect of its Open Offer Entitlement and (subject to the provisions relating to allocation set out in paragraph 6 of Part 2 of this document) in the Excess Application Facility. Somerston Fintech also intends to subscribe for New Bonds and Warrants in the Bond Issue and the Warrant Issue, respectively.

Accordingly, Somerston Fintech and Golf's participation in certain of the Proposals is a related party transaction for the purpose of the AIM Rules. The Independent Directors (being those other than Nick Wakefield) consider, having consulted with the Company's nominated adviser, Liberum, that the terms of Somerston Fintech and Golf's participation in the Proposals are fair and reasonable insofar as Shareholders are concerned.

10. The Takeover Code

The proposed issue of the Firm Placing Shares and the Open Offer Shares (pursuant to the commitments provided as part of the irrevocable undertaking and pro rata entitlements under the Open Offer) to Somerston Fintech and Golf, together with the potential issue of the New Ordinary Shares being the subject of the Warrants to be granted to Somerston Fintech and Neslo, gives rise to certain considerations under the Takeover Code. Brief details of the Panel, the Takeover Code and the protections they afford are set out below.

The Takeover Code is issued and administered by the Panel. The Company is a public limited company whose Existing Ordinary Shares are admitted to trading on AIM and its Shareholders are therefore entitled to the protections afforded by the Takeover Code.

For the purposes of the Takeover Code, the members of the Concert Party are regarded to be acting in concert, as defined by the Takeover Code, with regard to their holdings of Existing Ordinary Shares. Further details of the Concert Party are set out below.

Under Rule 9 of the Takeover Code, where any person acquires, whether by a series of transactions over a period of time or by one specific transaction, an interest (as defined in the Takeover Code) in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30 per cent, or more of the voting rights of a company that is subject to the Takeover Code, that person is normally required by the Panel to make a Rule 9 Offer to the remaining shareholders to acquire their shares.

Similarly, Rule 9 of the Takeover Code also provides, among other things, that where any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of a company which is subject to the Takeover Code, but does not hold shares carrying more than 50 per cent. of the voting rights of that company and such person or any such person acting in concert with him acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, then such person or persons acting in concert with him will normally be required by the Panel to make a Rule 9 Offer to the remaining shareholders to acquire their shares.

An offer under Rule 9 of the Takeover Code must be in cash (or with a cash alternative) and at the highest price paid within the preceding 12 months for any interest in shares in the company by the person required to make the offer or any person acting in concert with him.

Shareholders should be aware that Rule 9 of the Takeover Code further provides, inter alia, that where any person who, together with persons acting in concert with him, holds interests in shares carrying

more than 50 per cent. of the voting rights of a company, acquires an interest in shares which carry additional voting rights, then they will not normally be required to make a Rule 9 Offer to the other shareholders to acquire their shares.

For the purposes of the Takeover Code, persons acting in concert include persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or frustrate the successful outcome of an offer for a company subject to the Takeover Code. For the purposes of the Takeover Code, "control" means an interest or interests in shares carrying in aggregate 30 per cent. or more of the voting rights of a company, irrespective of whether such interest or interests give de facto control. Under the Takeover Code, shareholders in a private company who sell their shares in that company in consideration for the issue of new shares in a company to which the Takeover Code applies are also presumed to be acting in concert in respect of that company unless the contrary is established.

10.1 Concert Party

Upon completion of the Open Offer and the Firm Placing, the Concert Party will be interested in up to 221,454,180 New Ordinary Shares, representing a maximum of approximately 49.97 per cent. of the voting rights of the Company (on the assumption of no participation in the Open Offer by Independent Shareholders who are Qualifying Shareholders and that no other New Ordinary Shares are issued). Upon implementation of the Proposals in full, the Concert Party will be interested in up to 314,521,312 New Ordinary Shares, representing a maximum of approximately 58.65 per cent. of the voting rights of the Company (on the assumption of no participation in the Open Offer by Independent Shareholders who are Qualifying Shareholders, that the Warrants proposed to be granted to Somerston Fintech and Neslo (in respect of the New Bonds which Somerston Fintech has irrevocably committed to subscribe for and Neslo has indicated that it intends to subscribe for) are exercised in full at the earliest opportunity, being immediately after issue, that no other Warrants are exercised, and that no other New Ordinary Shares are issued prior to such exercise), which, without a waiver of the obligations under Rule 9 of the Takeover Code, would require the Concert Party to make a Rule 9 Offer to the Company's remaining Shareholders. However, the Panel has agreed, subject to the Waiver Resolution being passed on a poll by the Independent Shareholders at the Extraordinary General Meeting, to waive the requirement under Rule 9 of the City Code for the Concert Party to make a Rule 9 Offer that would otherwise apply. The members of the Concert Party will not be able to vote on the Waiver Resolution as they are not independent. Those persons have undertaken to the Company that they will not vote on the Waiver Resolution. Further information on the waiver of the obligation to make such a Rule 9 Offer is set out in paragraph 10.3 below.

The interests of the persons presumed to be acting in concert with each other in Existing Ordinary Shares upon implementation of the Proposals, and the underlying assumptions are set out in the table below in paragraph 10.2.

10.2 Information on the Concert Party

For the purposes of the Takeover Code, the members of the Concert Party, being Somerston Fintech, Golf, Lexo Investments Limited, Neslo and La Hauteur Investments Limited, are regarded as acting in concert by the Panel with regard to their holdings of Existing Ordinary Shares or their relationship with regard to their holdings of Existing Ordinary Shares. Nicholas Wakefield, a non-executive director of the Company, is Chief Investment Officer of the Somerston Group and a director of Golf.

Somerston Group is interested in a total of 26.60 per cent. of the Existing Ordinary Shares, held via its subsidiaries, Somerston Fintech and Golf. Somerston Fintech and Golf are private registered companies in Jersey and both members of the Somerston Group, a business based in Jersey and focused on investments in real estate, ventures and technology and listed companies. Golf is wholly owned by Somerston Fintech, and there is commonality of decision making between Somerston Fintech and Golf in relation to their respective shareholdings in the Company. Somerston Fintech and Golf hold 10.32 per cent and 16.28 per cent. of the Company's voting share capital respectively, taking Somerston Group's aggregate interest in the voting share capital of the Company to 26.60 per cent. Alex Ohlsson is a director of Somerston Group Limited and a director of both Somerston Fintech and Golf. Mr Ohlsson has the right to control the boards

of both Lexo Investments Limited and Neslo and holds 50 per cent. of the voting rights of Lexo Investments Limited, with the balance being held by a trust established for the benefit of Alex Ohlsson and his family. Further, Lexo Investments Limited in turn holds 60 per cent. of the voting rights of Neslo. The voting rights of La Hauteur Investments Limited are controlled by Neill Anders Ohlsson and Patricia Anne Ohlsson, the parents of Alex Ohlsson, who also have a right to control the board of La Hauteur Investments Limited.

The interests of the Concert Party (both number and percentage) in the Existing Ordinary Shares and their maximum potential interests in the issued share capital of the Company upon implementation of the Proposals (including the exercise of the New Ordinary Shares the subject of the Warrants) are set out below.

	<i>Existing Ordinary Share capital</i>	<i>Effect of completion of the Firm Placing</i>	<i>Effect of completion of the Firm Placing and Open Offer</i>	<i>Effect of completion of the Firm Placing and Open Offer and exercise of Warrants</i>
Concert Parties				
Somerston Group via				
• Somerston Fintech Limited	32,202,329 10.32%	109,980,107 28.21%	130,668,006 29.48%	219,303,369 40.90%
• Golf Investments Limited	50,815,167 16.28%	50,815,167 13.03%	83,460,602 18.83%	83,460,602 15.56%
Lexo Investments Limited	2,242,829 0.72%	2,242,829 0.58%	2,242,829 0.51%	2,242,829 0.42%
Neslo Partners No. 2 Limited	4,932,743 1.58%	4,932,743 1.27%	4,932,743 1.11%	9,364,512 1.75%
La Hauteur Investments Limited	150,000 0.05%	150,000 0.04%	150,000 0.03%	150,000 0.03%
Concert Party's Total	90,343,068 28.95%	168,120,846 43.13%	221,454,180 49.97%	314,521,312 58.65%
Resultant share capital at each stage	312,065,699	389,843,477	443,176,811	536,243,943

The above interests have been calculated on the basis:

- of completion of the Firm Placing;
- that Somerston Fintech and Golf are the only members of the Concert Party that subscribe for their Open Offer Entitlement in full;
- that Somerston Fintech and Golf subscribe for the maximum number of New Ordinary Shares that they have irrevocably undertaken to subscribe for under the Excess Application Facility;
- no take up by Independent Shareholders who are Qualifying Shareholders of their respective Open Offer Entitlements (such that the only New Ordinary Shares to be issued under the Open Offer are to members of the Concert Party); and
- that options over New Ordinary Shares the subject of the Warrants to be issued to Somerston Fintech and Neslo in respect of the New Bonds which Somerston Fintech has irrevocably committed to subscribe for (being a principal amount of £6 million), the New Bonds which Somerston Fintech has indicated it may subscribe for (being a principal amount of £2 million) and the New Bonds which Neslo has indicated that it intends to subscribe for (being a principal amount of £400,000), are exercised in full at the earliest possible date (being immediately after their issue), and that no other options or conversion rights are exercised by other persons.

The maximum potential interests of the Concert Party following Admission and following exercise of the Warrants will be determined by take up by Independent Shareholders who are Qualifying

Shareholders under the Open Offer. To the extent that Independent Shareholders who are Qualifying Shareholders take up their Open Offer Entitlements or are allocated additional New Ordinary Shares pursuant to applications under the Excess Application Facility (thereby increasing the issued share capital upon Admission), the maximum percentage interests of the Concert Party will be diluted accordingly.

Other than as disclosed in the table above, as at 16 November 2020, being the latest practical date prior to publication of this document, no member of the Concert Party, their immediate families or person connected with any of them (within the meaning of Part 22 of the UK Companies Act and related regulations) nor any persons acting in concert with any of them, had any interests, rights to subscribe or short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery in any relevant securities of the Company.

There are no relationships (personal, financial and commercial), arrangements and understandings between the Concert Party members and any of the Independent Shareholders or any person who is, or is presumed to be, acting in concert with any Independent Shareholder to disclose.

10.3 *Waiver of Rule 9 obligation*

Under Note 1 on the Notes on the Dispensations from Rule 9 of the Takeover Code, the Panel will normally waive the requirement for a Rule 9 Offer if, inter alia, those shareholders of the company who are independent of the persons who would otherwise be required to make a Rule 9 Offer pass an ordinary resolution on a poll at a general meeting approving such a waiver.

The Company has applied to the Panel for a waiver of the obligation of the Concert Party under Rule 9 of the Takeover Code that would otherwise arise and require it to make a Rule 9 Offer to the Company's other Shareholders as a result of the issue to the Concert Party of the Firm Placing Shares, the Open Offer Shares and any New Ordinary Shares subsequently issued pursuant to the Warrants in connection with the implementation of the Proposals. Subject to the approval of the Independent Shareholders of the Waiver Resolution, to be taken on a poll at the Extraordinary General Meeting, the Panel has agreed to waive such obligation to make a Rule 9 Offer. To be passed, the Waiver Resolution will require a simple majority of the votes cast on a poll by the Independent Shareholders voting at the Extraordinary General Meeting. Members of the Concert Party will not be permitted to vote on the Waiver Resolution and have undertaken to the Company that they will not vote on the Waiver Resolution.

The Notice of the Extraordinary General Meeting, at which the Resolutions will be proposed, is set out at the end of this document. Should Shareholder approval not be obtained for the Waiver Resolution, the Open Offer, the Bond Issue (and associated Warrant Issue) and the Firm Placing will not proceed.

Following implementation of the Proposals, the members of the Concert Party will, in aggregate, be interested in Ordinary Shares carrying more than 30 per cent. of the Company's voting share capital immediately following Admission. Furthermore, pursuant to the Warrant Issue only, the Concert Party will be able to increase its aggregate interest in the voting share capital of the Company (to the extent only permitted by and in connection with the Warrant Issue) without incurring any obligations under Rule 9 to make a general offer to the Company's other Shareholders.

Following the issue of the New Ordinary Shares and exercise in full at the earliest opportunity of the Warrants to be granted to members of the Concert Party, the Concert Party will in aggregate hold Ordinary Shares carrying more than 50 per cent. of the Company's voting share capital (for so long as they continue to be treated as acting in concert). As a result, for as long as they continue to be treated as acting in concert, the members of the Concert Party will be able to increase their aggregate holding in the Company without incurring an obligation under Rule 9 to make a mandatory offer to the other Shareholders.

Individual members of the Concert Party, other than Somerston Fintech and Golf who are viewed as a single shareholder for the purposes of the Code, will not be able to increase their percentage interest in the shares through or between a Rule 9 threshold without Panel consent.

The Concert Party will not be restricted from making a subsequent offer in the future for the Company in the event that the Waiver Resolution is approved by the Independent Shareholders. For the avoidance of doubt, the waiver from the obligation that the Concert Party would otherwise have to make a Rule 9 Offer to the Company's other shareholders granted pursuant to the Waiver Resolution applies only in respect of increases in shareholdings of the Concert Party following the issue of the Firm Placing Shares, Open Offer Shares and exercise of Warrants granted to members of the Concert Party which result in the Concert Party in aggregate holding Ordinary Shares carrying more than 50 per cent. of the Company's voting capital and not in respect of other increases in its holdings taking place prior to such threshold being crossed.

10.4 *Disqualifying Transactions*

The waiver to which the Panel has agreed under the Takeover Code will be invalidated if any purchases are made by any member of the Concert Party, or any person acting in concert with it, in the period between the date of this document and the Extraordinary General Meeting. No member of the Concert Party, nor any person acting in concert with it, has purchased or acquired an interest in Existing Ordinary Shares in the 12 months preceding the date of this document.

10.5 *Intentions of the Concert Party*

The Concert Party has no intention of making any changes in relation to the future business or strategic plans of the Company, any research and development functions of the Company, the pension arrangements of the Company, or its place of business.

The Concert Party has no intention of making any changes to the continued employment of the employees and management of the Company or of its subsidiaries, including any material change in the conditions of employment or in the balance of the skills and functions of the employees and management.

The Concert Party has no intention of changing the location and functions of the headquarters of the Group. The Concert Party understands that the Business Restructuring will include a review by the Board of certain business operations and related functions of the Group and, accordingly there will be a review of the employment requirements of the Group which may or may not result in changes to overall levels of employment or office locations. Otherwise, the Concert Party does not believe that the strategic plans for the Group will have any repercussions on employment or on the locations of the Company's places of business. The Concert Party has no intention of making any changes to employer contributions into the Company's pension scheme(s) (including with regards to current arrangements for the funding of any scheme deficits), the accrual of benefits for existing members, or the admission of new members.

The Concert Party has no intention to redeploy the Company's fixed assets.

The Concert Party has no intention of making any changes to the maintenance of the existing trading facilities for the New Ordinary Shares.

The Concert Party has no intention to propose any management incentivisation arrangements for the Board.

The Independent Directors note the statements made above by the Concert Party in respect of any repercussions in relation to employment and the locations of the Company's place of business.

Nick Wakefield, non-executive director of the Company, is also the Chief Investment Officer of Somerston Group. As set out in this paragraph 10.5, the Concert Party have no intentions as to the business, employees or pension scheme(s) of the Group. Any future influence or input

Mr Wakefield may have as to the business of the Group will be in discharge of his statutory and fiduciary duties as a Director, in order to maximise value for Shareholders.

11. The ZDP Continuation

11.1 *Background to the ZDP Continuation*

The Company currently has two classes of Shares in issue; Ordinary Shares and ZDP Shares. The Ordinary Shares have been traded on the AIM market of the London Stock Exchange since August 2005. The ZDP Shares were issued in December 2014 and have been traded on the standard listing segment of the main market of the London Stock Exchange since October 2015. As at the date of this document, the Company's issued share capital is 312,065,699 Ordinary Shares and 20,791,418 ZDP Shares⁴.

The ZDP Shares are non-participating and non-voting (except in certain limited circumstances, including at the ZDP Class Meeting and on Resolution 3 at the Extraordinary General Meeting) but carry the right to the repayment of a Final Capital Entitlement on the ZDP Maturity Date. The ZDP Maturity Date is currently 5 December 2020, on which date the holders of ZDP Shares are entitled to receive from the Company 141.152 pence for each ZDP Share that they hold, which would represent a return on the issue price of the ZDP Shares equivalent to 5.5 per cent. per annum up to and including 5 December 2019, and 8 per cent. per annum from 6 December 2019 to the ZDP Maturity Date. The Final Capital Entitlement is to be paid by way of the redemption of the ZDP Shares, and under the Articles and applicable company law the Company may only redeem such Shares to the extent that the Board is comfortable that, after such redemption, the Company can satisfy the solvency test prescribed by Guernsey company law.

The ZDP Continuation comprises the adoption of the New Articles which will extend the term of the ZDP Shares to 5 December 2022 and provide for a 2022 Final Capital Entitlement of 164.64 pence per ZDP Share. The ZDP Continuation is conditional upon completion of the Issue.

A continuation of an investment in the ZDP Shares will allow ZDP Shareholders to continue their investment in the Company. As noted at paragraph 2 of Part 6 of this document, UK resident ZDP Shareholders should generally not be treated as making a disposal for the purposes of UK taxation of chargeable gains as a result of doing so. It is important to note that the discussion of the tax treatment contained in Part 6 of this document is intended only as a general and non-exhaustive summary of the expected tax treatment and ZDP Shareholders are advised to seek independent professional advice as to the tax consequences for them of the Proposals.

11.2 *Key features of the amended ZDP Shares*

If the Proposals are adopted, the ZDP Shares:

- will have a repayment date of 5 December 2022;
- are intended to provide ZDP Shareholders with a level of capital growth at a rate of 8 per cent. per annum;
- subject to the Company having sufficient assets at the time to satisfy the solvency test set out under Guernsey company law, will carry the right to be paid the 2022 Final Capital Entitlement of 164.64 pence in cash on 5 December 2022; and
- will continue to benefit from the protection afforded by the Cover Test.

Save as set out above, the rights of the ZDP Shares following the implementation of the Proposals will be the same as the rights of the existing ZDP Shares. The amended rights of the ZDP Shares are set out in the New Articles and are described in full in Part 3 of this document. The New Articles are available for inspection as set out in Part 7 of this document.

The ability of the Company to pay the 2022 Final Capital Entitlement is dependent on the performance of the Company's business and investments. ZDP Shares are not a guaranteed, protected or secured investment and ZDP Shareholders may therefore not receive their full 2022 Final Capital Entitlement.

⁴ Of which 12,009,030 ZDP Shares are held by the Company in treasury.

11.3 **Adoption of the New Articles**

The ZDP Continuation will be implemented by way of the adoption of the New Articles.

The New Articles contain the amended rights attaching to the ZDP Shares as set out in Part 3 of this document. The New Articles contain a right attaching to all ZDP Shares for such ZDP Shares to be redeemed on 5 December 2022 at a redemption price of 164.64 pence per ZDP Share (being the 2022 Final Capital Entitlement).

The New Articles also contain certain non-substantive changes to reflect updates to applicable law and practice.

The Existing Articles and the New Articles (in the form of a comparison document showing the changes between the two) are available for inspection as set out in Part 7 of this document.

If the Proposals are approved by Shareholders, the New Articles will be adopted on the date of on which the Resolutions are passed. Upon the ZDP Continuation, ZDP Shareholders shall continue to hold ZDP Shares on the amended terms as set out in the New Articles. In the case of any discrepancy between this document and the New Articles, the terms of the New Articles will prevail.

11.4 **Dealings in ZDP Shares**

No new securities will be issued by the Company in connection with the ZDP Continuation and the ZDP Shares will continue to be held by ZDP Shareholders, albeit on the revised terms of the ZDP Continuation.

Dealings in the ZDP Shares will continue to be effective in CREST and the existing ISIN number GG00BTDYD136 will continue to apply.

ZDP Shareholders who hold their ZDP Shares in certificated form will not receive replacement certificates in respect of their ZDP Shares.

11.5 **Taxation**

The attention of ZDP Shareholders is drawn to Part 6 of this document which sets out a general guide to certain aspects of current UK and Guernsey taxation law and HMRC published practice.

12. **The Tender Offer and buybacks of ZDP Shares**

If Shareholders vote in favour of the ZDP Continuation at the Meetings and the Proposals are implemented, the Board intends to announce details of a Tender Offer for ZDP Shares to complete on or around 31 March 2021.

It is intended that the Tender Offer be made by or on behalf of the Company to all ZDP Shareholders for the purchase of ZDP Shares, on a pro rata basis amongst ZDP Shareholders, at a price per ZDP Share equal to the then accrued capital entitlement per ZDP Share calculated in accordance with the New Articles. The Board intends that the Tender Offer will be for approximately 25 per cent. of the ZDP Shares then in issue (excluding ZDP Shares held in treasury).

The Company may continue to buy back any ZDP Shares in the period to the date of completion of the Tender Offer, subject to the parameters of that programme and to the Company having sufficient Shareholder authority to do so, and in accordance with applicable law and regulation.

There is no guarantee that the Company will buy back ZDP Shares in this period or at all, or that the Tender Offer will be implemented in March 2021 or at all. Although it is the Board's intention and expectation that the Company will be able to make the Tender Offer in March 2021, this is subject to the Company's ability at that time to lawfully purchase its own shares, which depends on the Board's determination that the Company may do so in satisfaction of the solvency test prescribed by Guernsey company law.

13. Honeycomb Investment Trust (HIT) Facility

Honeycomb Investment Trust provides the HIT Facility, a £45 million credit facility, to Sancus Loans Limited (“**Sancus Loans**”), a special purpose loan vehicle and a wholly owned subsidiary of Sancus BMS Group. The HIT Facility has a term of three years due to end on 28 January 2021.

The Group has agreed with Honeycomb Investment Trust the extension of the term of the HIT Facility by a further period of 18 months such that, with effect from 13 November 2020, the HIT Facility will expire on 28 July 2022.

Further, the Group has presented to Honeycomb Investment Trust additional proposed changes to the HIT Facility and request for waivers, including to (a) further extend the term of the HIT Facility to 28 January 2024; and (b) increase the HIT Facility to a maximum principal amount of £75 million (the “**HIT Facility Renegotiation**”). The HIT Facility Renegotiation is subject to an audit of Sancus Loans, which is expected to conclude by 4 December 2020.

Somerston Fintech’s participation in the Firm Placing, the Open Offer and the Bond Issue, and Golf’s participation in the Open Offer, are conditional upon the HIT Facility Renegotiation being completed prior to the Meetings. Somerston Fintech and Golf are entitled, at their sole discretion, to waive the satisfaction of this condition.

14. Relationship Agreement

On 16 November 2020, the Company, Somerston Fintech and Golf, entered into a relationship agreement to manage the relationship between the Company, Somerston Fintech and Golf following Admission. The Relationship Agreement is conditional on Admission occurring and, among other things:

- (a) provides that the Company shall be allowed to operate independently of Somerston Fintech, Golf and their associates;
- (b) provides that all arrangements between Somerston Fintech, Golf and their associates and the Company will be on arm’s length terms and on a normal commercial basis; and
- (c) provides that Somerston Fintech and Golf shall promptly notify the Company of any actual or potential transaction, dealing or relationship between it, its associates or its group and shall use its reasonable endeavours to ensure that such transaction, dealing or relationship be on arm’s length terms and on a normal commercial basis.

For a detailed summary of the Relationship Agreement, see paragraph 8.2 of Part 7.

15. Costs of the Proposals

The Company estimates that it will incur costs of approximately £470,000 in respect of the development and implementation of the Proposals.

16. Risk factors relating to the Proposals and the Company

The Company’s performance is dependent on many factors and an investment in the Company carries, and the implementation of the Proposals, carries risks. Shareholders are referred to the section of this document entitled “Risk Factors” on pages 36 to 41.

Shareholders should read carefully the information on the Proposals set out in this document.

Shareholders who are in any doubt as to the contents of this document or as to the action to be taken should immediately seek their own personal financial advice from their independent professional adviser authorised under the Financial Services and Markets Act 2000.

17. The Meetings

The implementation of the Proposals requires Shareholder approval at the following Meetings:

- the passing by ZDP Shareholders of the Resolution to be proposed at the ZDP Class Meeting;
- the passing by Ordinary Shareholders of the Resolution to be proposed at the Ordinary Class Meeting; and

- the passing by Ordinary Shareholders and, in respect of Resolution 3 only, ZDP Shareholders, of the Resolutions to be proposed at the Extraordinary General Meeting.

Notices of the ZDP Class Meeting, the Ordinary Class Meeting and the Extraordinary General Meeting are set out in Part 10 of this document.

Voting on each of the Resolutions will be held by a poll.

Please refer to paragraph 18 below in relation to arrangements that the Board is making for the Meetings due to measures imposed as a result of the spread of the Covid-19 virus.

17.1 ZDP Class Meeting

The ZDP Class Meeting has been convened for 4 December 2020 at 10.00 a.m. to enable ZDP Shareholders to consider and, if thought fit, pass a special resolution consenting to the passing of the ZDP Continuation Resolution to be proposed at the Extraordinary General Meeting and any variation of their class rights which might arise under or as a result of the passing and carrying into effect of such Resolution. In the event that this Meeting is adjourned due to the absence of a quorum, the adjourned Meeting will be held at the same venue on the same day at 10.30 a.m.

The majority required for the passing of the Resolution to be proposed at the ZDP Class Meeting is not less than 75 per cent. of the votes cast (in person or by proxy) on that Resolution at the ZDP Class Meeting.

The ZDP Class Meeting will take place at the Company's registered office, Block C, Hirzel Court, Hirzel Street, St Peter Port, Guernsey GY1 2NL, Channel Islands. ZDP Shareholders alone are entitled to attend and vote at the ZDP Class Meeting.

The quorum for the ZDP Class Meeting is two persons present in person or by proxy and holding at least one third of the issued ZDP Shares at the date of the Meeting. If the Meeting is not quorate, it will be adjourned to the time and place indicated above, whereupon one person holding ZDP Shares and present in person or by proxy shall form the quorum.

17.2 Ordinary Class Meeting

A meeting of Ordinary Shareholders has been convened for 4 December 2020 at 10.10 a.m. (or as soon thereafter as the ZDP Class Meeting shall have concluded or been adjourned) to enable Ordinary Shareholders to consider and, if thought fit, pass a special resolution consenting to the passing of the ZDP Continuation Resolution to be proposed at the Extraordinary General Meeting and any variation of their class rights which might arise under or as a result of the passing and carrying into effect of such Resolution. In the event that this Meeting is adjourned due to the absence of a quorum, the adjourned Meeting will be held at the same venue on the same day at 10.40 a.m.

The majority required for the passing of the Resolution to be proposed at the Ordinary Class Meeting is not less than 75 per cent. of the votes cast (in person or by proxy) on that Resolution at the Ordinary Class Meeting.

The Ordinary Class Meeting will take place at the Company's registered office, Block C, Hirzel Court, Hirzel Street, St Peter Port, Guernsey GY1 2NL, Channel Islands. Ordinary Shareholders alone are entitled to attend and vote at the Ordinary Class Meeting.

The quorum for the Ordinary Class Meeting is two persons present in person or by proxy and holding at least one third of the issued Ordinary Shares at the date of the Meeting. If the Meeting is not quorate, it will be adjourned to the time and place indicated above, whereupon one person holding Ordinary Shares and present in person or by proxy shall form the quorum.

17.3 Extraordinary General Meeting

The Extraordinary General Meeting has been convened for 4 December 2020 at 10.20 a.m. (or as soon thereafter as the Ordinary Class Meeting concludes or is adjourned). In the event that this Meeting is adjourned due to the absence of a quorum the adjourned meeting will be held at the same venue on the same day at 10.50 a.m.

At the Extraordinary General Meeting, Shareholders will be asked to consider and, if thought fit, pass the following Resolutions.

Resolution 1

Resolution 1 (the Waiver Resolution), which is conditional on the passing of Resolution 2, is an ordinary resolution to be taken on a poll by the Independent Shareholders to waive the obligation on the Concert Party which would otherwise arise under Rule 9 as a result of the participation of the Concert Party in the Firm Placing, the participation of the Concert Party in the Open Offer and the issue of the New Ordinary Shares the subject of the Warrants.

Each member of the Concert Party has undertaken not to vote on the Waiver Resolution.

Resolution 2

Resolution 2 (the Issue Resolution) is a special resolution to authorise the allotment of the New Ordinary Shares and the Warrants on a non-pre-emptive basis (although Shareholders will be entitled to subscribe for New Ordinary Shares under the Open Offer).

Resolution 3

Resolution 3 is a special resolution to approve the adoption of the New Articles in substitution for the Existing Articles, thereby to implement the ZDP Continuation.

Ordinary Shareholders and ZDP Shareholders are entitled to vote (together) in respect of Resolution 3 to be proposed at the Extraordinary General Meeting.

The majority required for the passing of Resolution 1 to be proposed at the Extraordinary General Meeting is a simple majority of the votes cast (in person or by proxy) on that Resolution at the Extraordinary General Meeting. Only Independent Shareholders may vote on Resolution 1.

The majority required for the passing of each of Resolutions 2, 3 and 4 to be proposed at the Extraordinary General Meeting is not less than 75 per cent. of the votes cast (in person or by proxy) on that Resolution at the Extraordinary General Meeting.

The Extraordinary General Meeting will take place at the Company's registered office, Block C, Hirzel Court, Hirzel Street, St Peter Port, Guernsey GY1 2NL, Channel Islands.

The quorum for the Extraordinary General Meeting is two members present in person or by proxy and holding 5 per cent. or more of the voting rights available at the Meeting. If the Meeting is not quorate, it will be adjourned to the time and place indicated above, whereupon such Shareholders as attend in person or by proxy shall form the quorum.

Notices of all of the above Meetings are set out in Part 10 of this document.

EACH OF THE RESOLUTIONS ARE INTER-CONDITIONAL. IF ANY OF THE RESOLUTIONS ARE NOT PASSED, NONE OF THE PROPOSALS WILL BE IMPLEMENTED.

18. Action to be taken

18.1 Action to be taken in respect of the Meetings

Forms of proxy for Shareholders are enclosed as follows:

- (a) for ZDP Shareholders to vote at the ZDP Class Meeting, a pink form of proxy;
- (b) for Ordinary Shareholders to vote at the Ordinary Class Meeting, a blue form of proxy; and
- (c) for all Shareholders to vote at the Extraordinary General Meeting (ZDP Shareholders in respect of Resolution 3 only), a white form of proxy.

Given current measures around the Covid-19 virus and the desire of the Company to protect the health and safety of Shareholders, you will understand that each of the Meetings will be convened with the minimum quorum of Shareholders present in order to conduct the business of the Meetings. The only attendees who will be permitted entry to the Meetings will be those who will need to be present to form the quorum to allow the business to be conducted.

Accordingly, Shareholders will be prevented from attending each of the Meetings in person and are instead strongly encouraged to complete and return the relevant enclosed Form of Proxy in accordance with the instructions printed thereon and in this document. Given the current restrictions on attendance, Shareholders are strongly encouraged to appoint the Chairman of each relevant Meeting to act as their proxy.

Shareholders otherwise entitled to attend and wishing to raise any questions at any of the Meetings should do so by email to info@glifinance.com so as to be received no later than 10.00 a.m. on 2 December 2020. You may not use the email address to communicate with the Company for any purpose other than as expressly stated.

Completed forms of proxy should be returned by post or by hand to the Company's Registrar, Link Group, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom, as soon as possible, and in any case so as to be received by the Registrar by not later than:

- (a) 10.00 a.m. on 2 December 2020 in relation to the pink form of proxy for the ZDP Class Meeting;
- (b) 10.10 a.m. on 2 December 2020 in relation to the blue form of proxy for the Ordinary Class Meeting; and
- (c) 10.20 a.m. on 2 December 2020 in relation to the white form of proxy relating to the Extraordinary General Meeting.

18.2 Action to be taken in respect of the Open Offer

The action to be taken by Qualifying Shareholders in respect of the Open Offer depends on whether you hold your Existing Ordinary Shares in certificated or uncertificated form.

Qualifying Shareholders who hold all their Existing Ordinary Shares in certificated form will receive a personalised Open Offer Application Form enclosed with this document. The Open Offer Application Form shows Qualifying non-CREST Shareholders the number of New Ordinary Shares available under their Open Offer Entitlement that can be allotted in certificated form. Qualifying non-CREST Shareholders who wish to apply to subscribe for more than their Open Offer Entitlement should complete the relevant sections on their Open Offer Application Form. Qualifying Shareholders who hold all their Existing Ordinary Shares in CREST will be allotted their Open Offer Entitlements in CREST. Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form will be allotted New Ordinary Shares in uncertificated form to the extent that their entitlement to New Ordinary Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4.2.7 of Part 8 of this document.

CREST sponsored members should refer to their CREST sponsor as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply for New Ordinary Shares in respect of their Open Offer Entitlements and Excess CREST Open Offer Entitlements should refer to the CREST Manual for further information on the CREST procedures referred to below.

Qualifying Shareholders who do not wish to apply for New Ordinary Shares under the Open Offer should take no action and should not complete or return the Open Offer Application Form, or send a USE message through CREST.

19. Irrevocable undertakings

ZDP Shareholders holding, in aggregate, 4,677,085 ZDP Shares (representing 53.3 per cent. of the voting rights in respect of ZDP Shares as at the date of this document) have given their irrevocable undertaking to vote the ZDP Shares held in their name at the time of the relevant Meetings in favour of the Proposals.

Ordinary Shareholders holding, in aggregate, 174,656,666 Ordinary Shares (representing 56.0 per cent. of the voting rights in respect of Ordinary Shares as at the date of this document) have given their

irrevocable undertaking to vote the Ordinary Shares held in their name at the time of the relevant Meetings in favour of the Proposals.

Independent Shareholders holding, in aggregate, 91,639,170 Ordinary Shares (representing 41.3 per cent. of the voting rights in respect of Ordinary Shares held by Independent Shareholders as at the date of this document) have given their irrevocable undertaking to vote the Ordinary Shares held in their name at the time of the Extraordinary General Meeting in favour of the Waiver Resolution.

20. Recommendation

The Board consider that the terms of the Proposals are in the best interests of both ZDP Shareholders and Ordinary Shareholders and the Company as a whole.

The Board unanimously recommends that ZDP Shareholders vote in favour of the Resolution to be proposed at the ZDP Class Meeting and Resolution 3 to be proposed at the Extraordinary General Meeting. The Board unanimously recommends that Ordinary Shareholders vote in favour of Resolutions to be proposed at the Ordinary Class Meeting and Resolutions 2 to 3 to be proposed at the Extraordinary General Meeting, as they intend to do in respect of their own beneficial shareholdings, totalling 11,317,893 Ordinary Shares (representing in aggregate approximately 3.63 per cent. of the issued Ordinary Share capital of the Company).

The Independent Directors, who have been so advised by Liberum, consider the Proposals to be fair and reasonable and in the best interests of the Independent Shareholders and the Company as a whole. Such advice was provided by Liberum to the Independent Directors only and, in providing such advice, Liberum has taken into account the Independent Directors' commercial assessments. The Independent Directors recommend that Independent Shareholders vote in favour Resolution 1 to be proposed at the Extraordinary General Meeting, as they intend to do in respect of their own beneficial shareholdings, totalling 11,317,893 Ordinary Shares (representing in aggregate approximately 3.63 per cent. of the issued Ordinary Share capital of the Company).

Shareholders in any doubt as to the action they should take should consult an appropriately qualified independent adviser, authorised under the Financial Services and Markets Act 2000, without delay.

Yours faithfully

Patrick Firth
Chairman

PART 2

THE ISSUE

1. The Issue

The Company is targeting an issue of up to 177,777,778 New Ordinary Shares to raise Gross Issue Proceeds of approximately £4 million, by way of a Firm Placing and Open Offer (the “Issue”) at 2.25 pence per New Ordinary Share. The actual number of New Ordinary Shares to be issued pursuant to the Issue, and therefore the Gross Issue Proceeds, is not known as at the date of this document but will be notified by the Company via an RIS prior to Admission. The maximum Issue size should not be taken as an indication of the number New Ordinary Shares to be issued.

Somerston Fintech and Golf have irrevocably undertaken to participate in the Issue, as described in paragraphs 5 and 6 below.

The New Ordinary Shares to be issued pursuant to the Issue will, following Admission, rank *pari passu* in all respects with the Existing Ordinary Shares and will carry the right to receive all dividends and distributions declared, made or paid on or in respect of the Ordinary Shares by reference to a record date after Admission. The Existing Ordinary Shares are already admitted to trading on the AIM market of the London Stock Exchange.

The Gross Issue Proceeds, on the assumption of maximum take up under the Open Offer, will be approximately £4 million and the proceeds of the Issue, after deduction of expenses, are expected to be approximately £3.5 million.

The Issue Price represents the mid-market closing price of an Existing Ordinary Share on 16 November 2020, being the latest practicable date prior to the publication of this document.

The Open Offer provides an opportunity for Qualifying Shareholders to participate in the fundraising by subscribing for their respective Open Offer Entitlements. If the Issue proceeds, valid applications under the Open Offer will be satisfied in full up to applicants’ Open Offer Entitlements. Any New Ordinary Shares not taken up under the Open Offer will be made available under the Excess Application Facility, thereby enabling Qualifying Shareholders to subscribe for more than their Open Offer Entitlement. Qualifying Shareholders who wish to subscribe for more New Ordinary Shares than their Open Offer Entitlement could therefore make an application under the Excess Application Facility.

No new investors are entitled to apply for New Ordinary Shares in the Issue.

The expenses of, or incidental to, the Issue will be paid by the Company. There are no commissions, fees or expenses to be charged to investors by the Company.

2. The Firm Placing

Conditional upon the Issue proceeding, the Company has agreed with Somerston Fintech that pursuant to the Firm Placing it will subscribe directly for 77,777,778 New Ordinary Shares at the Issue Price. The Company has contracted directly with Somerston Fintech for the subscription of the Firm Placing Shares.

The Firm Placing Shares, which raise gross proceeds of £1,750,000, are not subject to clawback and are not part of the Open Offer.

3. The Open Offer

Conditional upon the completion of the Firm Placing, Qualifying Shareholders are being offered the opportunity, under the Open Offer, to apply for New Ordinary Shares at a ratio of 1,583 New Ordinary Shares for every 4,940 Existing Ordinary Shares held and registered in their name as at the Record Date. Up to 100,000,000 New Ordinary Shares will be issued pursuant to the Open Offer. New Ordinary Shares issued to Qualifying Shareholders under their Open Offer Entitlements are not subject to scaling back.

Any New Ordinary Shares not taken up pursuant to the Open Offer will be made available under the Excess Application Facility. Applications in the Excess Application Facility from Qualifying Shareholders other than Somerston Fintech and Golf will be given priority in allocation of New Ordinary Shares under the Excess Application Facility. Otherwise, there will be no priority given to applications under the Open Offer.

If you have sold or otherwise transferred all of your Existing Ordinary Shares before the ex-entitlement date, you are not entitled to participate in the Open Offer.

Open Offer Entitlements will be rounded down to the nearest whole number and any fractional entitlements to New Ordinary Shares will be disregarded in calculating Open Offer Entitlements. Fractions will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility.

Qualifying Shareholders may apply to acquire less than their Open Offer Entitlement should they so wish. In addition, Qualifying Shareholders may apply to acquire additional New Ordinary Shares using the Excess Application Facility. Please refer to the terms and conditions for further details of the Excess Application Facility in Part 8 of this document.

The Open Offer Entitlement, in the case of Qualifying non-CREST Shareholders, is equal to the number of New Ordinary Shares shown in their Open Offer Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of their New Ordinary Shares representing their Open Offer Entitlement standing to the credit of their stock account in CREST.

Qualifying Shareholders who take up all of their Open Offer Entitlements may also apply under the Excess Application Facility for additional New Ordinary Shares in excess of their Open Offer Entitlement. The Excess Application Facility will comprise such number of New Ordinary Shares as may be allocated to the Excess Application Facility as determined by the Company (following consultation with Liberum) that have not yet been allocated to Qualifying Shareholders pursuant to their Open Offer Entitlements.

If you are a Qualifying non-CREST Shareholder, the Open Offer Application Form shows the number of Existing Ordinary Shares registered in your name at the close of business on the Record Date. Qualifying non-CREST Shareholders who wish to apply to subscribe for more than their Open Offer Entitlement should complete the relevant sections on their Open Offer Application Form.

Qualifying CREST Shareholders will have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST and should refer to the CREST Manual for further information on the relevant CREST procedures, including information on how to apply for Excess New Shares pursuant to the Excess Application Facility.

Excess applications may be allocated in such manner as the Company may determine (following consultation with Liberum) and no assurance can be given that applications by Qualifying Shareholders under the Excess Application Facility will be met in full or in part or at all. Applications in the Excess Application Facility from Qualifying Shareholders other than Somerston Fintech and Golf will be given priority in allocation of New Ordinary Shares under the Excess Application Facility.

Application has been made for the Open Offer Entitlements and Excess CREST Open Offer Entitlements to be admitted to CREST. It is expected that the Open Offer Entitlements and Excess CREST Open Offer Entitlements will be admitted to CREST as soon as possible after 8.00 a.m. on 18 November 2020. The Open Offer Entitlements and Excess CREST Open Offer Entitlements will also be enabled for settlement in CREST as soon as possible after 8.00 a.m. on 18 November 2020. Applications through means of the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

The Open Offer is not being made to Shareholders in Excluded Territories except pursuant to an applicable exemption. Accordingly, Open Offer Application Forms are not (subject to certain exceptions) being sent to, and Open Offer Entitlements are not being credited to, Overseas Shareholders except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction. Shareholders who have registered addresses outside the United Kingdom who are citizens or residents of countries other than the United Kingdom or who are holding Existing Ordinary Shares for the benefit of such persons (including, without limitation,

nominees, custodians and trustees) or have a contractual or legal obligation to forward this document or the Open Offer Application Form to such persons, should refer to the section 'Overseas Shareholders' in Part 8 of this document, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you read that part of this document.

Shareholders should note that the Open Offer is not a rights issue. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Shareholders should note that the Open Offer Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should be aware that in the Open Offer, unlike in a rights issue, any New Ordinary Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer, but may be made available under the Excess Application Facility.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, is set out in Part 8 of this document and, where relevant, in the Open Offer Application Form.

For Qualifying non-CREST Shareholders, completed Open Offer Application Forms, accompanied by full payment in accordance with the instructions in Part 8 of this document, should be returned by post to Link Group, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive as soon as possible and in any event so as to be received by no later than 11.00 a.m. on 2 December 2020. For Qualifying CREST Shareholders, the relevant CREST instructions must have settled, as explained in this document, by no later than 11.00 a.m. on 2 December 2020. Shareholders should consult an independent financial adviser if they are in doubt about the contents of this document or the action they should take.

4. Conditions to the Issue

The Issue is conditional, *inter alia*, on:

- (a) the passing of each of the Resolutions to be proposed at the Extraordinary General Meeting to be held on 4 December 2020;
- (b) the Placing and Open Offer Agreement becoming unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to Admission; and
- (c) Admission becoming effective by not later than 8.00 a.m. on 7 December 2020 (or such later time and/or date as Liberum and the Company may agree, being not later than 31 January 2021).

If any such conditions are not satisfied the Issue will not proceed, any Open Offer Entitlements admitted to CREST will thereafter be disabled and any application monies received in connection with the Issue will be refunded to the applicants, by cheque (at the applicant's risk), and in the case of Qualifying CREST Shareholders by way of a CREST payment, without interest, as soon as practicable, but in any event within 14 days thereafter.

5. Somerston Fintech subscriptions and irrevocable undertaking

Somerston Fintech is the sole placee in the Firm Placing pursuant to which, and subject to the Issue proceeding, Somerston Fintech will be allotted 77,777,778 New Ordinary Shares on Admission, to raise gross proceeds of £1,750,000.

Somerston Fintech and Golf have irrevocably undertaken to take up its full Open Offer Entitlement under the Open Offer (being 10,319,086 and 16,283,483 New Ordinary Shares respectively) and, further, Somerston Fintech and Golf have irrevocably undertaken to apply in the Excess Application Facility for an additional 10,368,813 and 16,361,952 New Ordinary Shares respectively. Somerston Fintech and Golf's respective applications in the Excess Application Facility is subject to scaling back as set out in paragraph 6 below.

The effect of Somerston Fintech and Golf's irrevocable undertaking as described above is that Somerston Fintech and Golf have agreed to effectively underwrite the Open Offer as to 53,333,334 New Ordinary Shares, to raise gross proceeds of a further £1,200,000 in addition to the Firm Placing. The Board considers it important that Shareholders be given the opportunity to participate in the Issue, hence the Open Offer and the scaling back of Somerston Fintech and Golf's application under the Excess Application Facility.

The remaining members of the Concert Party may participate in the Open Offer.

Somerston Fintech's participation in the Firm Placing, the Open Offer and the Bond Issue, and Golf's participation in the Open Offer, are conditional upon the HIT Facility Renegotiation being completed prior to the Meetings. Somerston Fintech and Golf are entitled, at their sole discretion, to waive the satisfaction of this condition.

6. Scaling back and allocation

In the event that commitments under the Open Offer exceed the maximum number of New Ordinary Shares available under the Open Offer, then other than applications up to Qualifying Shareholders' full basic entitlement under the Open Offer, which will be satisfied in full, applications in the Excess Application Facility will be scaled back at the Company's discretion after consultation with Liberum.

The basis of allocation of New Ordinary Shares under the Issue will be:

- (a) to Somerston Fintech, the Firm Placing Shares in accordance with the Firm Placing;
- (b) to each Qualifying Shareholder who applies, up to his full basic Open Offer Entitlement (New Ordinary Shares issued to Qualifying Shareholders under their Open Offer Entitlement are not subject to scale back); and
- (c) any New Ordinary Shares not taken up under the Open Offer, to applicants other than Somerston Fintech and Golf under the Excess Application Facility, with applications scaled back at the discretion of the Company following consultation with Liberum;
- (d) any New Ordinary Shares not taken up under the Open Offer by Qualifying Shareholders other than Somerston Fintech and Golf may be allocated to Somerston Fintech under its application under the Excess Application Facility.

Save as set out above, there will be no priority given to applications under the Open Offer.

7. Dilution

All existing Ordinary Shareholders will be diluted as a consequence of the Issue, whether or not they participate in the Open Offer.

Assuming 77,777,778 New Ordinary Shares are issued pursuant to the Firm Placing and 100,000,000 New Ordinary Shares are issued pursuant to the Open Offer:

- Qualifying Shareholders who take up their full Open Offer Entitlement (excluding any New Ordinary Shares acquired through the Excess Application Facility) will suffer a maximum dilution of approximately 15.88 per cent. to their ownership and voting interests in the Company by virtue of the issue of New Ordinary Shares pursuant to the Issue;
- Qualifying Shareholders who do not take up any of their Open Offer Entitlement and Shareholders who are not eligible to participate in the Open Offer, will suffer a maximum dilution of approximately 36.29 per cent. to their ownership and voting interests in the Company by virtue of the issue of New Ordinary Shares pursuant to the Issue; and
- the New Ordinary Shares will represent approximately 36.29 per cent. of the Enlarged Share Capital.

8. Admission, clearing and settlement

Applications will be made to the London Stock Exchange for all of the New Ordinary Shares to be issued pursuant to the Issue to be admitted to the AIM market of the London Stock Exchange. It is expected that Admission will become effective and dealings will commence on 7 December 2020.

The New Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form. In the case of New Ordinary Shares to be issued in uncertificated form pursuant to the Issue, these will be transferred to successful applicants through the CREST system. The New Ordinary Shares will be eligible for settlement through CREST with effect from Admission.

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. Settlement of transactions in the New Ordinary Shares following Admission may take place within the CREST system if any Shareholder so wishes.

The Company will arrange for CREST to be instructed to credit the appropriate CREST accounts of the applicants concerned or their nominees with their respective entitlements to the New Ordinary Shares. The names of applicants or their nominees that invest through their CREST accounts will be entered directly on to the share register of the Company.

Dealings in the New Ordinary Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

Where applicable, definitive share certificates in respect of the New Ordinary Shares are expected to be despatched by post at the risk of recipients to the relevant holders in the week beginning 14 December 2020. Prior to the despatch of definitive share certificates in respect of any New Ordinary Shares which are held in certificated form, transfer of those New Ordinary Shares will be certified against the Register. No temporary documents of title will be issued.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the market price of the Ordinary Shares may not necessarily reflect changes in the NAV per Ordinary Share.

The Ordinary Shares are denominated in Sterling.

9. Material interests

Somerston Fintech and Golf are related parties to the Company in accordance with the AIM Rules by virtue of its significant shareholding in the Company. Nicholas Wakefield, Chief Investment Officer of Somerston Group, is also a non-executive director of the Company. Somerston Fintech is the sole placee in the Firm Placing. Somerston Fintech and Golf are also entitled to participate in the Open Offer in respect of its Open Offer Entitlement and Somerston Fintech will participate in (subject to the provisions relating to allocation set out in paragraph 6 above) the Excess Application Facility.

Save as disclosed above, there are no interests that are material to the Issue and no conflicting interests.

10. Overseas persons

Potential investors in the Open Offer who are in any territory other than the United Kingdom should refer to the information in paragraph 6 of Part 8 of this document.

The Company reserves the right to treat as invalid any agreement to subscribe for New Ordinary Shares under the Open Offer if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

PART 3

THE AMENDED ZDP SHARES

If the ZDP Continuation is implemented and the New Articles adopted, the ZDP Shares will have the following rights. These rights are the same as the current rights of the ZDP Shares save as set out in paragraph 11 of Part 1 of this document.

- (a) The ZDP Shares carry no rights to receive dividends out of the revenue or any other profits of the Company.
- (b) The assets of the Company available for distribution to members after payment of all of the Company's liabilities in full will be applied as follows (and in each case distributed among the holders of shares of each class rateably according to amounts paid up on such shares held by them):
 - (i) first, there shall be paid to the holders of ZDP Shares an amount equal to 100 pence per ZDP Share as increased each day from 16 December 2014 up to and including 5 December 2019 at the daily compound rate which results in 130.696 pence per ZDP Share on 5 December 2019, as further increased each day from 6 December 2019 up to and including 5 December 2020 at the daily compound rate which results in the 2020 Final Capital Entitlement per ZDP Share on 5 December 2020 and as further increased each day from 6 December 2020 up to and including 5 December 2022 at the daily compound rate which results in the 2022 Final Capital Entitlement per ZDP Share on 5 December 2022, and increasing thereafter (in the event that any ZDP Shares are not redeemed by 5 December 2022) on the same compounded basis in respect of any ZDP Shares not so redeemed; and
 - (ii) second, subject to the terms of the Articles, there shall be paid to the holders of Ordinary Shares in proportion to their holdings the surplus assets of the Company available for distribution.
- (c) The holders of the ZDP Shares shall have the right to receive notice of general meetings of the Company but shall not have the right to attend or vote at any general meeting of the Company unless the business of the meeting includes any resolution to vary, modify or abrogate any of the special rights attached to the ZDP Shares and at any meeting where any such business is to be considered such holders shall be entitled to vote in relation to such business alone.
- (d) Where by virtue of the provisions of paragraph (c) above the holders of the ZDP Shares are entitled to vote, every such holder present in person or by a duly authorised representative (if a corporation) at a meeting shall, in relation to such business, have one vote in respect of every ZDP Share held by him.
- (e) Subject to paragraphs (g) and (h) below, the Company shall not without the previous sanction of a resolution of the holders of the ZDP Shares passed at a separate class meeting of such holders convened and held in accordance with the provisions of the Articles:
 - (i) pay dividends to holders of Ordinary Shares in excess of the aggregate of 5 pence per Ordinary Share per annum increased at the rate of 2.5 per cent. per annum;
 - (ii) issue further shares or securities, or rights to subscribe for or to convert or exchange any securities into shares or securities or reclassify issued share capital into shares or securities of a particular class where such shares or securities would on issue, conversion, exchange or reclassification rank as to capital in priority to or pari passu with the ZDP Shares, unless in respect of such issue, conversion, exchange or reclassification (a) the Cover Test would be met immediately following any such issue, conversion, exchange or reclassification; or (b) A Cover and B Cover is otherwise increased as a result of and upon such issue, conversion, exchange or reclassification;
 - (iii) pass a resolution releasing the Directors from their obligation to redeem the ZDP Shares on the ZDP Maturity Date in accordance with paragraph (j) below;

- (iv) other than the redemption of the ZDP Shares provided for in paragraph (j) below, pass a resolution to reduce the capital of the Company in any manner, including any resolution authorising the Directors to purchase shares save that the Company may without such sanction take authority to make, and effect purchases of its own shares provided that in any event, (i) the Cover Test would be met immediately following any such purchase; or (ii) A Cover and B Cover is otherwise increased immediately following any such purchase;
 - (v) incur any borrowings in excess of £30 million (excluding any interest on any such borrowings and excluding Relevant Items being monies borrowed for temporary purposes only and in the ordinary course of business including, without limitation, for the purpose of refinancing existing borrowings or settling transactions and any monies borrowed for the purpose of paying the Final Capital Entitlement or then accrued entitlement of the ZDP Shares) or guarantee the indebtedness of any of its subsidiaries;
 - (vi) make any material change to the accounting policies adopted by the Directors which were in existence as at 16 December 2014;
 - (vii) pass a resolution for the voluntary winding up or liquidation of the Company, such winding up to take effect prior to the ZDP Maturity Date;
 - (viii) make a material change to the business of the Company as a whole, which at the time of making such change, appears likely in the reasonable opinion of the Directors to be materially prejudicial to the holders of the ZDP Shares; or
 - (ix) pass any resolution to vary, modify or abrogate any of the special rights attached to the ZDP Shares.
- (f) For the purposes of paragraph (e) above, the “**Cover Test**” is that the Directors shall have or shall have caused to be calculated that, in their opinion, were the actions detailed in paragraph (e)(ii) or paragraph (e)(iv) (each an “**Action**”) to take place on the date specified by the Directors for such calculation, provided that such date shall not be one which is over 60 days prior to the date on which the relevant Action is due to take place (the “**Calculation Date**”), those ZDP Shares in issue immediately thereafter would have A Cover of not less than 1.7 times and B Cover of not less than 3.25 times (as adjusted in accordance with the provisions below). For the purpose of this paragraph (f):
- (i) the “**A Cover**” on the ZDP Shares shall represent a fraction where the numerator is equal to the gross assets of the Company less current liabilities and trade and non-borrowing related liabilities (not otherwise current liabilities) (other than the liabilities to ZDP Shareholders) as at the Calculation Date, as determined by the Directors, and the denominator is equal to the aggregate amount which would be paid to the holders of the ZDP Shares in issue on the Calculation Date as a class (and on all shares ranking as to capital in priority thereto or pari passu therewith) on the ZDP Maturity Date, plus the Company’s borrowings (if any) plus, to the extent not included in the current liabilities referred to above, the Directors’ estimate of the shortfall (if any) of the Group’s revenues less operational expenses (including dividends payable on the Company’s Ordinary Shares, finance costs and management expenses), excluding any fair value adjustments over the period from the Calculation Date to the ZDP Maturity Date; and
 - (ii) the “**B Cover**” on the ZDP Shares shall represent a fraction where the numerator is equal to the gross assets of the Company less current liabilities and trade and non-borrowing related liabilities (not otherwise current liabilities) and all borrowings (other than the liabilities to ZDP Shareholders) as at the Calculation Date, as determined by the Directors, and the denominator is equal to the aggregate amount which would be paid to the holders of the ZDP Shares in issue on the Calculation Date as a class (and on all shares ranking as to capital in priority thereto or pari passu therewith) on the ZDP Maturity Date provided always, that the B Cover of 3.25 times shall be adjusted downwards when and to the extent that the amount of the Company’s borrowings (excluding any interest on any such borrowings and excluding Relevant Items) is less than £30 million and in such event the amount of cover shall be reduced from 3.25 times by “X” where:

$$X = 0.00000008 \times Y; \text{ and}$$

Y = the amount of the Company's borrowings (as referred to above) below £30 million,

so that, by way of illustration, if the amount of the Company's borrowings (as referred to above) is £28 million as at the relevant Calculation Date the B Cover amount shall be 3.09 times.

- (iii) In calculating such A Cover and B Cover, the Directors shall:
- (a) use the portfolio valuations underlying the net assets value figure published by the Company at the end of the immediately preceding quarter (or on such other date as the Board in its absolute discretion may determine);
 - (b) assume that the Action had been undertaken at the end of the month prior to the Calculation Date (or on such other date as the Board in its absolute discretion may determine);
 - (c) adjust the aggregate net assets at the end of the said month (or on such other date as the Board in its absolute discretion may determine) by adding the minimum net consideration (if any) which would be received upon such Action and by deducting any consideration payable on such Action;
 - (d) aggregate the capital entitlements of the existing ZDP Shares and the capital entitlements of any new ZDP Shares to be issued or reclassified as aforesaid, in each case as at the Calculation Date;
 - (e) disregard any reduction in gross assets caused by the accounting for shares held in treasury held by the Company to the extent it is not matched by a corresponding adjustment to the calculation of the denominator; and
 - (f) make such other adjustments as they in their absolute discretion consider appropriate.
- (g) Notwithstanding paragraphs (c), (d) and (e) above, if any offer is made (whether by the Company or any other person, including proposals for a reduction or cancellation of capital, capitalisation issue, share purchase or repurchase and/or redemption of shares of the relevant class or any shares issued in substitution therefor) to all the holders of ZDP Shares, (other than the offeror and/or persons acting in concert with the offeror) which becomes or is declared unconditional in all respects (or would so become or be declared subject only to the passing of any Recommended Resolution (as defined below)) prior to the ZDP Maturity Date, and which enables the holders of the ZDP Shares to receive no later than the ZDP Maturity Date an amount in cash not less than that to which the Directors estimate (so far as practicable at the time and on the basis of such assumptions as they may reasonably deem appropriate) that the ZDP Shareholders would otherwise have been entitled on a redemption of their ZDP Shares or on a winding-up of the Company in each case on the ZDP Maturity Date (whether or not such offer is accepted in any particular case and ignoring any option to receive alternative consideration) and such offer is recommended by the Directors and stated to be, in the opinion of a financial adviser appointed by the Directors, fair and reasonable, the provisions of paragraph (i) below shall apply to the holders of ZDP Shares in relation to any resolution or resolutions (a "**Recommended Resolution**") proposed at any general meeting of the Company or at any separate meeting of the holders of ZDP Shares save that the provisions of paragraph (i) below shall cease as regards such shareholders if either the Directors consider that the aforementioned offer is unlikely to be honoured or the offeror breaches a material term of the offer or otherwise manifests an intention not to implement the offer.
- (h) Notwithstanding paragraphs (c), (d) and (e) above, if at any time on or before the ZDP Maturity Date a resolution (a "**Reconstruction Resolution**") is proposed at any general meeting of the Company or at any separate meeting of any class(es) of shareholders to sanction any form of arrangement for the transfer of all or part of the Company's assets to another entity or any proposals for the reduction or cancellation of capital, capitalisation issue, share purchase or repurchase and/or redemption of any shares (including, without limitation, any further resolutions which the Directors consider to be necessary or desirable for the purposes of effecting such proposals) and which enables the holders of the ZDP Shares to receive, no later than the

ZDP Maturity Date, an amount in cash not less than that to which the Directors estimate (so far as practicable at the time and on the basis of such assumptions as they may reasonably deem appropriate) that the ZDP Shareholders would otherwise have been entitled on a redemption of their ZDP Shares or on a winding-up of the Company in each case on the ZDP Maturity Date then (ignoring any option to receive their entitlements otherwise than in cash), provided such proposals are recommended by the Directors and stated to be, in the opinion of a financial adviser appointed by the Directors, fair and reasonable, the provisions of paragraph (i) below shall apply to the holders of the ZDP Shares in relation to such resolution(s), save that such provisions shall cease as regards such shareholders if the arrangement is not implemented in accordance with its terms.

- (i) Where this paragraph (i) applies in respect of any resolution, the ZDP Shareholders shall not be entitled to vote at any general meeting of the Company and the previous sanction of a special resolution of the ZDP Shareholders shall not be required in any case, provided that where, notwithstanding the foregoing, such sanction is required in any case by law, all ZDP Shareholders present in person, by representative (if a corporation) or by proxy and entitled to vote at such meeting shall (in respect of the votes attached to all such shares) vote in favour of the resolution or resolutions recommended by the Directors and where any vote is not cast or is cast against any such resolution or resolutions recommended by the Directors it shall be deemed to have been cast in favour. The vote on any Recommended Resolution or Reconstruction Resolution shall be taken on a poll.
- (j) Unless the Directors have previously been released from their obligations to do so by a special resolution of the Company (such special resolution having been duly passed not earlier than the date falling one month prior to the ZDP Maturity Date and having been sanctioned by necessary class approval), the Company shall on the ZDP Maturity Date, compulsorily redeem all ZDP Shares in issue at an amount equal to the Final Capital Entitlement per ZDP Share.
- (k) In the event that, on the ZDP Maturity Date, the Company is not permitted to redeem any of the ZDP Shares by reason of statutory restriction or otherwise by law, it shall redeem the ZDP Shares then due for redemption so soon thereafter as the Company is permitted lawfully to do so (and if the Company is not permitted lawfully to redeem all of the then unredeemed ZDP Shares at one time, such redemption shall take place in tranches at such times as the Company is permitted lawfully to redeem some only of the then unredeemed ZDP Shares, and the ZDP Shares to be redeemed in such circumstances shall be selected pro rata to the holdings due to be redeemed at such time).
- (l) In the event that, on the ZDP Maturity Date, the Company is permitted to redeem some only of the ZDP Shares by reason of statutory restriction or otherwise by law, it shall redeem such ZDP Shares at such time and shall redeem the remaining ZDP Shares then due for redemption so soon thereafter as the Company is permitted lawfully to do so (and if the Company is not permitted lawfully to redeem all of the then unredeemed ZDP Shares at one time, such redemption shall take place in tranches at such times as the Company is permitted lawfully to redeem some only of the then unredeemed ZDP Shares). The ZDP Shares to be redeemed in such circumstances shall be selected pro rata to the holdings due to be redeemed at such time.
- (m) During such time after the ZDP Maturity Date when any of the ZDP Shares remains unredeemed, the Company shall not declare, make or otherwise pay any distributions (whether by way of dividend, redemption, repurchase of shares, reduction of capital or otherwise) to any of the holders of the Ordinary Shares.

PART 4

FINANCIAL INFORMATION

1. Financial information on the Company

The information listed below is being provided as a part of the required disclosures under the Takeover Code and is not information required by the AIM Rules. The information listed below relating to the Company is hereby incorporated by reference into this document for the purposes of the Takeover Code and is not incorporated by reference for any other purpose including for the purposes of the Prospectus Rules.

The Company's unaudited consolidated accounts for the six month period ended 30 June 2020 (contained in pages 18-40 of the interim report for the six month period ended 30 June 2020) can be found at: <http://www.glifinance.com/wp-content/uploads/2020/09/GLI-Finance-Limited-Interim-Report-30-June-2020-FINAL.pdf>

The Company's consolidated accounts for the year ended 31 December 2019 (contained in pages 49-98 of the Annual Report for the year ended 31 December 2019) can be found at: <https://www.glifinance.com/wp-content/uploads/2020/04/GLI-Finance-AR-2019.pdf>

The Company's consolidated accounts for the year ended 31 December 2018 (contained in pages 48-90 of the Annual Report for the year ended 31 December 2018) can be found at: <https://www.glifinance.com/wp-content/uploads/2019/04/GLI-Finance-AR-2018.pdf>

If you are reading this document in hard copy, please enter the above web addresses in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web addresses above to be brought to the relevant document.

Any Shareholder, person with information rights or other person to whom this document is sent may request in writing or verbally a hard copy of each of the documents above incorporated by reference in this document. Hard copies will only be sent where valid requests are received from such persons. Requests for copies of any such documents should be directed to the Receiving Agent, Link Group, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham BR3 4TU or by telephoning the Receiving Agent on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. **Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.**

2. Working capital

The Company is of the opinion that the working capital available to the Group, on the assumption that the Proposals are implemented, is sufficient for its present requirements, that is for at least 12 months from the date of this document.

3. Significant changes

Other than as set out in paragraph 3 of Part 1, there has been no significant change in the financial or trading position of the Company since the publication of the interim results of the Company for the six months ended 30 June 2020 (being the date to which the Company's most recent financial results have been prepared).

PART 5

RISK FACTORS

Shareholders should carefully consider the risks described below before making a decision to invest in the Company or in respect of the Proposals. This Part 5 contains what the Directors believe to be the principal risk factors associated with an investment in the Company and with the Proposals. It should be noted that this list is not exhaustive and that other risk factors will apply to an investment in the Company. If any of the following risks actually occur, the Group's business, financial condition and/or results or future operations could be materially adversely affected. In such circumstances, the trading price of the New Ordinary Shares could decline and an investor may lose all or part of their investment. There can be no certainty that the Group will be able to implement successfully the strategy set out in this document or documents referred to in this document.

Additional risks and uncertainties not currently known to the Directors or which the Directors currently deem immaterial, may also have an adverse effect on the Group. This document contains forward-looking statements that involve risks and uncertainties. The Group's actual results could differ materially from those anticipated in the forward-looking statements as a result of many factors, including the risks faced by the Group which are described below and elsewhere in this document. Prospective investors should carefully consider the other information in this document. The risks listed below do not necessarily comprise all the risks associated with an investment in the Company.

An investment in the Company may not be suitable for all recipients of this document. Investors are accordingly advised to consult an independent financial adviser duly authorised under FSMA and who specialises in advising upon the acquisition of shares and other securities before making a decision to invest.

1. Principal risks relating to the Proposals

1.1 *Shareholders receiving no value for their current Shareholdings*

As set out in Part 1 of this document, the Company has certain liabilities that fall due in the next 12 months, including the 2020 Final Capital Entitlement which becomes payable on 5 December 2020 and the Existing Bonds, which are repayable on 30 June 2021. In the event that Shareholders do not vote in favour of the Proposals at the Meetings, then the terms of the ZDP Shares will remain unchanged and the fundraising elements of the Proposals will not occur. Accordingly, the Company would be required to pay the 2020 Final Capital Entitlement on 5 December 2020 and to repay the amounts outstanding under the Existing Bonds in June 2021.

The Board believes there is a material risk that the Company may not have sufficient cash resources to pay the 2020 Final Capital Entitlement in full in a manner that would satisfy the solvency test set out under Guernsey company law. The Board believes that in the event that the Proposals are not approved by Shareholders at the Meetings, then alternative sources of debt or equity financing are very unlikely to be available, or be available on preferential terms. The Group could then face administration or other insolvency proceedings which would, in the Board's opinion, result in Shareholders receiving no value for their current shareholdings.

1.2 *Implementation of the Business Restructuring*

The Board believes that the Business Restructuring, in targeting achievable profitable growth of its property-backed lending book across appropriate risk spectrums, supported by a robust credit process and rigorous control of operating expenses, provides the Group with the strongest route to achieving and maximise realisable value for Shareholders. Although Sancus BMS Group already forms part of and is delivering returns for the Group, there remains a risk that the Business Restructuring cannot be implemented in full or in the manner and timescale that the Directors currently believe achievable. The Board intend to review the Group's minority holdings, joint venture undertakings and non-core operations, including FinTech Ventures, with a view to realising additional value for the Group, which may or may not prove successful. There is further risk that the Business Restructuring does not deliver either in full or on time the benefits which the Board believe will accrue to the Group. Therefore, there is a risk that the Directors are not as successful in implementing the Business Restructuring as they currently expect to be, or not in

the timescales that they currently envisage, and that as a consequence there is an adverse effect on the Group's business, financial condition and results of operations.

1.3 *Impact of the global economic downturn*

As set out in the Group's interim results for the period ended 30 June 2020, released on 30 September 2020, the Board has taken action on cost control, including reduction of headcount, with further cost initiatives expected to deliver additional savings on an annualised basis, in response to the Covid-19 pandemic and the resulting global economic downturn, to mitigate the negative impact on the Group lending activities. The Group's expectations of the financial benefits of these cost initiatives and through implementation of the Business Restructuring are based upon certain assumptions and variables regarding, amongst other things, future recovery and prevailing condition of the markets in which the Group operates, and the trading performance of the Group. There can be no assurance that such assumptions will prove correct or that the anticipated improvement in performance, delivered by way of the Business Restructuring, will materialise. Furthermore, even if the Business Restructuring is implemented on time and as planned, there is a risk that the measures taken are not adequate to preserve the Group's cash, reduce its costs and support its business to the extent required to withstand the economic downturn, which could in turn have a material adverse effect on the Group's business, financial condition and results of operations.

1.4 *Control and influence of the Concert Party as a result of implementation of the Proposals*

Following the issue of New Ordinary Shares pursuant to the Firm Placing and Open Offer, the Concert Party will hold a significant proportion of the Group's Ordinary Shares. Somerston Fintech, together with its associates, will be the largest individual holder within the Concert Party on Admission, holding up to 48.32 per cent. of the voting share capital on Admission. The Company has entered into the Relationship Agreement to manage the relationship between the Company, Somerston Fintech and Golf and provides, amongst other things, that the Company shall be allowed to operate independently of Somerston Fintech, Golf and their associates and that all arrangements between the parties will be on arm's length terms and on a normal commercial basis. Notwithstanding the Independent Shareholder protections delivered by way of the Relationship Agreement, the interests of the Concert Party (and any individual member thereof) may conflict with the interests of the Independent Shareholders and/or the Company and in such circumstances, matters may not be resolved in a manner which Independent Shareholders consider to be in their best interests or in the interests of the Company or the Group.

Assuming the Panel Waiver is approved by Independent Shareholders, upon full exercise of the Warrants to be granted to the Concert Party in connection with the Bond Issue (assuming no other changes to the Company's issued share capital), the Concert Party may hold over 50 per cent. of the Company's voting rights and will have the ability to exert significant influence over the Group, including the ability to block Shareholder resolutions requiring a simple majority at an extraordinary general meeting and the ability to acquire additional Ordinary Shares without triggering an obligation to launch a Rule 9 Offer. Furthermore, the significant size of the Concert Party holding following exercise of the Warrants held by it may have a detrimental impact on the Company's future ability to attract new equity investors, which could in turn have a materially adverse effect on the Group's ability to grow or maintain its business.

2. *Principal risks relating to the Ordinary Shares*

2.1 *Dilution*

All existing Ordinary Shareholders will be diluted as a consequence of the Issue, whether or not they participate in the Open Offer. Assuming 177,777,778 New Ordinary Shares are issued pursuant to the Issue, Qualifying Shareholders who take up their full Open Offer Entitlement (excluding any New Ordinary Shares acquired through the Excess Application Facility) will suffer a maximum dilution of approximately 15.88 per cent. to their ownership and voting interests in the Company by virtue of the issue of New Ordinary Shares pursuant to the Issue; and Qualifying Shareholders who do not take up any of their Open Offer Entitlement and Shareholders who are not eligible to participate in the Open Offer, will suffer a maximum dilution of approximately

36.29 per cent. to their ownership and voting interests in the Company by virtue of the issue of New Ordinary Shares pursuant to the Issue.

Existing Ordinary Shareholders may be diluted further as a consequence of the exercise of any or all of the Warrants issued under the Warrant Issue. The maximum number of new Ordinary Shares that may be issued upon the exercise of the Warrants would be equivalent to 37.5 per cent. of the issued share capital of the Company immediately following Admission, leading to the dilution of then-existing Shareholders' interests in the Company of the same percentage.

2.2 *Investment in AIM quoted securities*

Investment in securities traded on AIM is perceived to involve a higher degree of risk and be less liquid than investment in companies whose securities are listed on the Official List in the UK and traded on the London Stock Exchange's main market. An investment in Ordinary Shares traded on AIM may be difficult to realise. Admission to AIM does not guarantee that there will be a liquid market for New Ordinary Shares. An active public market for New Ordinary Shares may not develop or be sustained after Admission and the market price of the Ordinary Shares may fall below the Issue Price. Prospective investors should be aware that the value of the Ordinary Shares may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. Investors may therefore realise less than, or lose all of, their investment.

2.3 *Potentially volatile share price and liquidity*

The share price of companies quoted on AIM can be highly volatile and shareholdings illiquid. The price at which the Ordinary Shares are quoted and the price at which investors may realise their investment in the Company may be influenced by a significant number of factors, some specific to the Group and its operations and some which affect quoted companies generally. These factors could include the performance of the Group, large purchases or sales of Ordinary Shares in the Company, legislative changes and general, economic, political or regulatory conditions.

2.4 *Future sales of Ordinary Shares could cause the market price of the Ordinary Shares to fall*

Sales of Ordinary Shares or interests in the Ordinary Shares by significant investors could depress the market price of the Ordinary Shares. A substantial amount of Ordinary Shares being sold, or the perception that sales of this type could occur, could also depress the market price of the Ordinary Shares. Both scenarios, occurring either individually or collectively, may make it more difficult for Shareholders to sell the Ordinary Shares at a time and price that they deem appropriate.

3. *Principal risks relating to the ZDP Continuation*

3.1 *Obligation to pay the 2020 Final Capital Entitlement*

If the ZDP Continuation is not effected prior to 5 December 2020, and unless the Board implements alternative proposals prior to that date, then on that date the Company is required to pay the 2020 Final Capital Entitlement to ZDP Shareholders. In the event that the Company is required to pay the 2020 Final Capital Entitlement and has insufficient cash resources to lawfully do so then, in accordance with the Existing Articles, the Company shall redeem such number of ZDP Shares (on a pro-rata basis amongst ZDP Shareholders) as it is lawfully able to redeem on 5 December 2020, and thereafter shall redeem further ZDP Shares in tranches (on a pro-rata basis amongst ZDP Shareholders) as and when it is lawfully able to do so.

3.2 *Taxation effect of the ZDP Continuation*

ZDP Shareholders will need to consider the tax consequences of the Proposals, based on their particular circumstances. As described in Part 6 of this document, UK resident ZDP Shareholders should not generally be treated as making a disposal for the purposes of UK taxation of chargeable gains as a result of the ZDP Continuation but may incur tax liabilities on any

subsequent disposal of their ZDP Shares. Shareholders who are in any doubt as to the tax consequences of the Proposals should seek independent professional advice.

3.3 *Long-term investment*

The ZDP Shares are designed to be held over the long-term and may not be suitable as short-term investments. There can be no guarantee that any appreciation in the value of the Company's assets will occur and investors may not get back the full value of their investment. The past performance of the Company is not a guide to the future performance of the Company.

3.4 *Ranking on a winding-up*

The ZDP Shares rank prior to the Ordinary Shares in respect of the Final Capital Entitlement. Although that is the case, on a return of assets, including the winding-up of the Company, ZDP Shareholders would only receive payment if there are sufficient assets of the Company and having regard to all other unsecured liabilities of the Company, including the Company's liability to repay the New Bonds. ZDP Shares are not a secured, protected or guaranteed investment. There can be no guarantee that the Company will be able to pay the 2022 Final Capital Entitlement on 5 December 2022.

4. *Principal risks relating to the Group and its business*

4.1 *The Company may not meet its objective*

The Company may not achieve its objective to produce a stable and predictable dividend and a double digit return on equity, whilst at least preserving its capital value. Meeting that objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met.

4.2 *The effects of both normal market fluctuations and the current global economic crisis related to Covid-19 may impact the Group's business, operating results or financial condition*

These are factors which are outside the Company's control and which may affect the volatility of underlying asset values and the liquidity and the value of the Group's portfolio. Changes in economic conditions in the UK, US, Europe and elsewhere (for example, interest rates and rates of inflation, industry conditions, competition, political and diplomatic events, unemployment, consumer spending, consumer sentiment and other factors) could substantially and adversely affect the Group's prospects.

4.3 *Borrowing, liquidity and interest rate risk*

The Group may incur direct or indirect borrowings. The Company's funding is sourced primarily from the ZDP Shares and the Existing Bonds. Other group entities may borrow funds directly from time to time and/or seek co-funding of lending opportunities.

Whilst the use of borrowings should enhance returns when the value of the Group's underlying assets is rising, it will have the opposite effect where the underlying asset value is falling. In addition, in the event that the Group's income falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenue of the Group and accordingly will have an adverse effect on the Company's ability to pay dividends to Shareholders.

The Group will pay interest on any borrowing it incurs. As such, the Group is exposed to interest rate risk due to fluctuations in the prevailing market rates. Interest rate movements may affect the level of income receivable by the Company and the interest payable on the Group's variable rate borrowings. In the event that interest rate movements lower the level of income receivable or raise the interest required to be paid by the Group, returns to investors will be reduced.

The Group may utilise debt facilities in order to finance some of its loans that it makes to borrowers. Although the Company is not currently in breach of any covenants set out in any agreements related to its debt facilities, if in future the Group were to experience the occurrence of events of default or breaches of financial or performance covenants under its financing arrangements, this could result in the amortisation, default and/or acceleration of such facilities and could reduce or terminate the Group's access to institutional funding. If such an event were

to occur, the Group may have to curtail its investment in loans, which could have a material adverse effect on its business, financial condition, operating results and cash flow.

In addition, the Covid-19 pandemic and government responses to the pandemic may impact the funding sources in the short to medium term. Expansion of lending and investment activities will be constrained to the extent of retained profits unless further sources of funding are secured.

4.4 ***Credit risk and the risk of borrower default***

The Group has direct credit exposures through its on balance sheet lending and credit support. Indirect credit risk (potential losses to co-funders) could impact further business development.

The return on the Group's portfolio of loans depends on borrowers fulfilling their payment obligations in a timely and complete manner. If a borrower neglects its payment obligations on a loan or is unable or chooses not to repay its loan entirely, the Group may not be able to recover any portion of its outstanding principal and interest under such loan.

There is a possibility of material misrepresentation or omission on the part of a borrower when entering into a loan. Such inaccuracy or incompleteness may adversely affect the ability to recover on that loan.

4.5 ***Inadequacy of collateral***

In relation to any loans which are secured by specific collateral, there can be no assurance that the liquidation of any such collateral would satisfy a borrower's obligation in the event of non-payment of principal payments or scheduled interest in respect of the loan. In addition, in the event of the insolvency of a borrower, the Group could experience delays or limitations with respect to its ability to realise the benefits of the collateral. Moreover, the Group's security interests may be unperfected for a variety of reasons, including the failure to make required filings and, as a result, the Group may not have priority over other creditors as anticipated.

Loan default rates may be affected by a number of factors outside the Group's control and actual default rates may vary significantly from historical observations.

Loan default rates may be significantly affected by economic downturns or general economic or political conditions beyond the Company's control. In particular, default rates on loans may increase due to the ongoing Covid-19 pandemic and government response to the pandemic, the effects of the United Kingdom's exit from the European Union, as well as factors such as the general interest rate environment, the value of the US Dollar, Euro or Sterling, energy prices, insolvencies, disruptions to the credit markets and other factors.

4.6 ***Prepayment risk***

Borrowers may decide to prepay all or a portion of the remaining principal amount due under a borrower loan at any time without penalty. In the event of a prepayment of the entire remaining unpaid principal amount of a borrower loan acquired by a Group entity, the relevant Group entity will receive such prepayment but further interest will not accrue on such loan after the date of the prepayment. If the borrower prepays a portion of the remaining unpaid principal balance interest will cease to accrue on the prepaid portion, and the relevant Group entity will not receive all of the interest payments that it expected to receive.

4.7 ***Performance risk relating to the execution of the Sancus BMS Group strategy***

A significant proportion of the Company's capital has been deployed into the Sancus BMS Group. Following the Business Restructuring, the Company will have an increased focus on the Sancus BMS Group business and this proportion is expected to increase. There is a risk that the planned growth of the Sancus BMS Group businesses will not be realized, including as a result of sub optimal levels of loan origination and funding.

4.8 ***Past performance***

The past performance of the Group is not a reliable indication of future performance.

4.9 ***The Group may experience fluctuations in its operating results***

The Group may experience fluctuations in its operating results due to a number of factors, including changes in the values of the loans made by the Group, changes in the amount of interest paid in respect of loans in the portfolio, changes in the Group's operating expenses, the degree to which the Group encounters competition and general economic and market conditions. Such variability may lead to volatility in the trading price of the Shares and cause the Group's results for a particular period not to be indicative of its performance in a future period.

4.10 ***Changes in laws or regulations governing the Group operations may adversely affect the Group's business***

The Group is subject to laws and regulations enacted by national and local governments. In particular, the Company is subject to and required to comply with certain regulatory requirements that are applicable to companies with shares admitted to trading on AIM. The Company must comply with the AIM Rules, the Disclosure Guidance and Transparency Rules and MAR. In respect of its operations, as a financial services business the Group's compliance with relevant regulation is paramount, including with anti money-laundering regulations.

Any change in the law and regulation affecting any entity in the Group may have a material adverse effect on the ability of the Group to carry on its business and successfully pursue its business strategy and on the value of the Company and the Shares.

4.11 ***Currency risk***

The assets of the Group are invested in assets which are denominated in US Dollars, Euros, Sterling or other currencies. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates.

4.12 ***Valuation risk***

The Group's investments are largely unquoted and the valuation of such investments involves the exercise of judgement. There can be no guarantee that the basis of calculation of the value of the Group's investments used in the valuation process will reflect the actual value on realisation of those investments.

PART 6

TAXATION

Introduction

The information below, which relates only to Guernsey and United Kingdom taxation, is for general information purposes only and is a summary the advice received by the Board from the Company's advisers so far as applicable to the Company and to persons who are resident in Guernsey and the United Kingdom for taxation purposes and who hold New Ordinary Shares as an investment. It is not intended to be a comprehensive summary of all technical aspects of the structure, or tax law and practice in Guernsey and the United Kingdom. It is not intended to constitute legal or tax advice to Shareholders.

The information below is based on current Guernsey and United Kingdom tax law and published practice which is, in principle, subject to any change (potentially with retrospective effect). Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their New Ordinary Shares in connection with their employment may be taxed differently and are not considered. The tax consequences for each Shareholder of investing in the Company may depend on the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject.

If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

1. GUERNSEY TAXATION

1.1 *The Company*

The Company is resident for tax purposes in Guernsey and is subject to the company standard rate of income tax in Guernsey, currently charged at the rate of 0 per cent. The Company will be taxed at the company standard rate of income tax provided the income of the Company does not include income arising from:

- (a) certain types of banking business;
- (b) the provision of custody services when carried on by an institution or business that carries on certain types of banking business;
- (c) the carrying on of regulated activities within the meaning of the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000, as amended, by a licensed fiduciary within the meaning of that law;
- (d) the provision to an unconnected third party of any administrative, secretarial or clerical services in relation to a controlled investment within the meaning of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended (the "**POI Law**");
- (e) the provision of investment management services to persons other than collective investment schemes or entities associated with collective investment schemes, by a person who is licensed to provide such services under the POI Law;
- (f) the carrying on of insurance business which is domestic business within the meaning of the Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended, by a licensed insurer within the meaning of that law;
- (g) the carrying on of business as an insurance manager or as an insurance intermediary within the meaning of the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002, as amended, by a licensed insurance manager or intermediary within the meaning of that law;
- (h) the operation of an investment exchange within the meaning of the POI Law by a person who is licensed to operate such an exchange under that law;

- (i) the provision of compliance and other related services to a person or body of persons who holds or is deemed to hold a licence, registration or authorisation from the Guernsey Financial Services Commission under certain Guernsey regulatory laws;
- (j) the operation of an aviation registry in accordance with the Aviation Registry (Guernsey) Law, 2013, as amended;
- (k) trading activities regulated by the Guernsey Competition and Regulatory Authority;
- (l) the importation and/or supply of gas or hydrocarbon oil in Guernsey;
- (m) large retail business carried on in Guernsey where the company has taxable profits arising or accruing from which in any year of charge exceed £500,000;
- (n) the business of the cultivation of the cannabis plant or its use for the production of industrial hemp, supplements and certain other products or any processing of it or any other activity or use, in each case under the authority of a licence issued by the Committee for Health & Social Care under the Misuse of Drugs (Bailiwick of Guernsey) Law, 1974, as amended or, as the case may be, Misuse of Drugs (Bailiwick of Guernsey) Ordinance, 1997, as amended (together “**MD Legislation**”);
- (o) the business of the prescribed production of controlled drugs or their prescribed use in any production, processing, activity or other use, in each case under the authority of a licence issued by the Committee for Health & Social Care under MD Legislation; or
- (p) the ownership of land and buildings situate in Guernsey.

It is not intended that the income of the Company will be derived from any of those sources.

Guernsey currently does not levy taxes upon capital, inheritances, capital gains, gifts, sales or turnover. No stamp duty or similar is chargeable in Guernsey on the issue, transfer or redemption of shares in the Company.

1.2 **Taxation of Shareholders**

The Company’s dividends can be paid to a Shareholder who is not resident in Guernsey (which includes Alderney and Herm) for tax purposes without deduction of Guernsey income tax, provided such dividends by the Company are not to be taken into account in computing the profits of any permanent establishment in Guernsey through which such Shareholder, being an individual, carries on business in Guernsey.

A Shareholder who is resident in Guernsey (which includes Alderney and Herm) for Guernsey tax purposes, or who is not so resident but carries on business in Guernsey through a permanent establishment to which the holding of Shares is attributable, will incur Guernsey income tax at the applicable rate on dividends paid to that Shareholder by the Company. Where such a Shareholder is an individual, the Company is responsible for the deduction of tax from dividends and the accounting of that tax to the Director of the Revenue Service in Guernsey in respect of dividends paid by the Company to such Shareholder.

As already referred to above, Guernsey currently does not levy taxes upon capital, inheritances, capital gains, gifts, sales or turnover, nor are there any estate duties (save for registration fees and *ad valorem* duty for a Guernsey Grant of Representation where the deceased dies leaving assets in Guernsey which require presentation of such a Grant).

No stamp duty or similar tax is chargeable in Guernsey on the issue, transfer or redemption of shares in the Company.

1.3 **Capital Taxes and Stamp Duty**

Guernsey currently does not levy taxes upon capital inheritances, capital gains, gifts, sales or turnover, nor are there any estate duties, save for registration fees and *ad valorem* duty for a Guernsey Grant of Representation where the deceased dies leaving assets in Guernsey (which required presentation of such a grant). No stamp duty is chargeable in Guernsey on the issue, transfer, switching or redemption of New Ordinary Shares in the Company.

1.4 **Anti-Avoidance**

Guernsey has a wide-ranging anti-avoidance provision. This provision targets transactions where the effect of the transaction or series of transactions is the avoidance, reduction or deferral of a tax liability. At his discretion, the Director of the Revenue Service will make such adjustments to the tax liability to counteract the effect of the avoidance, reduction nor deferral of the tax liability.

1.5 **FATCA – United States-Guernsey Intergovernmental Agreement**

On 13 December 2013 the Chief Minister of Guernsey signed an intergovernmental agreement with the United States (“**U.S.-Guernsey IGA**”) regarding the implementation of FATCA. Under FATCA and legislation enacted in Guernsey to implement the U.S.-Guernsey IGA, certain disclosure requirements will be imposed in respect of certain Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents or citizens of the United States, unless a relevant exemption applies. Certain due diligence obligations will also be imposed. Where applicable, information that will need to be disclosed will include certain information about Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Company. The Company will be required to report this information each year in the prescribed format and manner as per local guidance.

Under the terms of the U.S.-Guernsey IGA, Guernsey resident financial institutions that comply with the due diligence and reporting requirements of Guernsey’s domestic legislation will be treated as compliant with FATCA and, as a result, should not be subject to FATCA withholding on payments they receive and should not be required to withhold under FATCA on payments they make. If the Company does not comply with these obligations, it may be subject to a FATCA deduction on certain payments to it of U.S. source income (including interest and dividends) and (from no earlier than two years after the date of publication of certain final regulations defining “foreign passthru payments”) a portion of non-U.S. source payments from certain non-U.S. financial institutions to the extent attributable to U.S. source payments. The U.S.-Guernsey IGA is implemented through Guernsey’s domestic legislation in accordance with local guidance that is published in draft form.

Under the U.S.-Guernsey IGA, securities that are “regularly traded” on an established securities market, such as AIM, are not considered financial accounts and are not subject to reporting. For these purposes, New Ordinary Shares will be considered “regularly traded” if there is a meaningful volume of trading with respect to the New Ordinary Shares on an ongoing basis. Notwithstanding the foregoing, a New Ordinary Share will not be considered “regularly traded” and will be considered a financial account if the Shareholder is not a financial institution acting as an intermediary. Such Shareholders will be required to provide information to the Company to allow it to satisfy its obligations under FATCA, although it is expected that whilst a New Ordinary Share is held in uncertificated form through CREST, the holder of that New Ordinary Share will likely be a financial institution acting as an intermediary. Shareholders that own New Ordinary Shares through a financial intermediary may be required to provide information to such financial intermediary in order to allow the financial intermediary to satisfy its obligations under FATCA.

1.6 **Common Reporting Standard (“CRS”)**

On 13 February 2014, the OECD released the CRS designed to create a global standard for the automatic exchange of financial account information, similar to the information to be reported under FATCA. On 29 October 2014, fifty-one jurisdictions signed the multilateral competent authority agreement (“**Multilateral Agreement**”) that activates this automatic exchange of FATCA-like information in line with the CRS. Since then further jurisdictions have signed the Multilateral Agreement and in total over 100 jurisdictions have committed to adopting the CRS. Many of these jurisdictions have now adopted the CRS. Guernsey adopted the CRS with effect from 1 January 2016.

Under the CRS and legislation enacted in Guernsey to implement the CRS, certain disclosure requirements will be imposed in respect of certain Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents of any of the jurisdictions that have also adopted the CRS, unless a relevant exemption applies. Certain due diligence obligations will also be imposed. Where applicable, information that would need to be disclosed will include certain information about Shareholders, their ultimate beneficial owners and/or controllers, and

their investment in and returns from the Company. The Company will be required to report this information each year in the prescribed format and manner as per local guidance. The CRS is implemented through Guernsey's domestic legislation in accordance with published local guidance which is supplemented by guidance issued by the Organization for Economic Co-operation and Development.

Under the CRS, there is currently no reporting exemption for securities that are "regularly traded" on an established securities market, although it is expected that whilst a New Ordinary Share is held in uncertificated form through CREST, the holder of that New Ordinary Share will likely be a financial institution acting as an intermediary. Shareholders that own the New Ordinary Shares through a financial intermediary may be required to provide information to such financial intermediary in order to allow the financial intermediary to satisfy its obligations under the CRS.

All prospective investors should consult with their own tax advisers regarding the possible implications of FATCA, the CRS and any other similar legislation and/or regulations on their investment in the Company.

If the Company fails to comply with any due diligence and/or reporting requirements under Guernsey legislation implementing the U.S.-Guernsey IGA and/or the CRS then the Company could be subject to (in the case of the U.S.-Guernsey IGA) U.S. withholding tax on certain U.S. source payments, and (in all cases) the imposition of financial penalties introduced pursuant to the relevant implementing regulations in Guernsey. Whilst the Company will seek to satisfy its obligations under the U.S.-Guernsey IGA and the CRS and associated implementing legislation in Guernsey to avoid the imposition of any financial penalties under Guernsey law, the ability of the Company to satisfy such obligations will depend on receiving relevant information and/or documentation about each Shareholder and the direct and indirect beneficial owners of the Shareholders (if any). There can be no assurance that the Company will be able to satisfy such obligations.

1.7 Request for Information

The Company reserves the right to request from any Shareholder or potential investor such information as the Company deems necessary to comply with FATCA, any agreement with the U.S. Internal Revenue Service in relation to FATCA from time to time in force, or any obligation arising under the implementation of any applicable regime, including the CRS, relating the FATCA and the automatic exchange of information with any relevant competent authority.

2. UK TAXATION

The following comments do not constitute tax advice. They are intended only as a general guide based on UK law and HMRC's published practice as at the date of this document. Both law and practice may change at any time.

Except where express reference is made to the position of non-UK residents, these comments relate only to Shareholders who are, and have at all relevant times been, resident for tax purposes solely in the UK. They apply only to Shareholders who are the absolute beneficial owners of their Shares and of any dividends payable on them and who hold their Shares as investments.

Certain categories of Shareholders may be subject to special tax rules. These include dealers in securities, financial institutions, insurance companies, collective investment schemes and Shareholders who are treated as having acquired their Shares by reason of any office or employment. The position of such Shareholders is not addressed in these comments. Nor is the position of any Shareholders who are involved in arrangements to avoid tax or obtain a tax advantage.

You should seek professional tax advice if you are resident, domiciled or subject to tax in any jurisdiction outside the UK or if you are in any doubt as to your tax position.

2.1 **Taxation of dividends**

2.1.1 *No withholding*

The Company is not required to withhold UK tax when paying a dividend on the Shares.

2.1.2 *Individuals*

UK resident individual Shareholders who receive dividends from the Company will generally pay UK income tax on those dividends at the following rates, to the extent in excess of the annual dividend allowance:

- (a) 7.5 per cent. on dividend income within the basic rate band;
- (b) 32.5 per cent. on dividend income within the higher rate band; and
- (c) 38.1 per cent. on dividend income within the additional rate band.

2.1.3 *Companies*

Shareholders within the charge to UK corporation tax will be subject to corporation tax on dividends paid by the Company on the Shares unless the dividends qualify for exemption under Part 9A of the Corporation Tax Act 2009.

Dividends received by Shareholders that are “small companies” for the purposes of Part 9A of the Corporation Tax Act 2009 will not qualify for exemption. It is likely that dividends received by other Shareholders within the charge to UK corporation tax will generally qualify for exemption but it should be noted that the exemption is not comprehensive, requires a number of conditions to be met, and is subject to anti-avoidance rules. Shareholders should therefore seek professional tax advice where necessary.

2.2 **Taxation of chargeable gains**

2.2.1 *Acquisitions of New Ordinary Shares pursuant to the Open Offer*

As a matter of UK tax law, the acquisition of New Ordinary Shares pursuant to the Open Offer may not, strictly speaking, constitute a reorganisation of share capital for the purposes of UK taxation of chargeable gains. The published practice of HMRC to date has been to treat a subscription for shares by an existing shareholder which is equal to or less than the shareholder’s minimum entitlement pursuant to the terms of an open offer as a reorganisation, but it is not certain that HMRC will apply this practice in circumstances where an open offer is not made to all shareholders. HMRC’s treatment of the Open Offer cannot therefore be guaranteed and specific confirmation has not been requested in relation to the Open Offer.

To the extent that the acquisition of New Ordinary Shares pursuant to the Open Offer is regarded as a reorganisation of the share capital of the Company for the purposes of UK taxation of chargeable gains, the New Ordinary Shares issued to a Shareholder will be treated as the same asset as, and as having been acquired at the same time as, the Shareholder’s existing holding of Ordinary Shares. The amount of subscription monies paid for the New Ordinary Shares will be added to the base cost of the Shareholder’s existing holding of Ordinary Shares.

To the extent that New Ordinary Shares are acquired pursuant to the Open Offer in excess of the Shareholder’s Open Offer Entitlement, the acquisition of such excess Shares will not be treated as a reorganisation of the share capital of the Company for the purposes of UK taxation of chargeable gains.

If, or to the extent that, the acquisition of New Ordinary Shares under the Open Offer is not regarded as a reorganisation of the share capital of the Company for the purposes of UK taxation of chargeable gains, the New Ordinary Shares will generally be treated as having been acquired as part of a separate acquisition of shares, with the base cost for those New Ordinary Shares being calculated by reference to price paid for them.

2.2.2 *Disposals of Ordinary Shares*

A disposal of Ordinary Shares by a UK resident Shareholder may, depending on the Shareholder's circumstances and subject to any available exemption or relief, give rise to a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains.

Shareholders that are not UK resident will not generally be subject to UK taxation of chargeable gains on a disposal of their Ordinary Shares, provided that their Ordinary Shares are not and have not been acquired, held or used in or for the purposes of any trade, profession or vocation carried on by the Shareholder in the UK through a branch, agency or permanent establishment. It should however be noted that, in certain circumstances, an individual Shareholder who is only temporarily non-UK resident may, on re-establishing UK tax residence, be subject to capital gains tax in respect of disposals which occurred in the period of temporary non-residence.

2.2.3 *The ZDP Continuation*

To the extent that ZDP Shareholders continue their investment in the ZDP Shares pursuant to the ZDP Continuation they should not be treated as making a disposal of their existing ZDP Shares for the purposes of UK taxation of chargeable gains. Instead, the amendment to the terms of the ZDP Shares pursuant to the ZDP Continuation should, to that extent, be treated as a reorganisation of share capital with the amended ZDP Shares treated for the purposes of UK taxation of chargeable gains as the same asset acquired at the same time as the original ZDP Shares.

ZDP Shares that continue to be held pursuant to the ZDP Continuation should remain eligible for inclusion in an ISA in circumstances where such ZDP Shares were already held within an ISA prior to the effective date of the ZDP Continuation.

Shareholders are advised to seek professional advice as to the tax consequences for them of the ZDP Continuation and of any investment in or disposal of ZDP Shares.

2.3 ***UK Stamp duty and stamp duty reserve tax ("SDRT")***

No SDRT should generally be chargeable in respect of an agreement to transfer Shares provided that the Shares are not registered in any register kept in the UK by or on behalf of the Company and that the Shares are not paired with any shares issued by a company incorporated in the UK.

Subject to an exemption for certain low value transactions where the aggregate consideration is certified as being £1000 or less, UK stamp duty (at the rate of 0.5 per cent. of the value of the consideration, rounded up where necessary to the nearest £5) is in principle chargeable in respect of any instrument transferring Shares which is executed in the UK or which relates to any matter or thing done or to be done in the UK. As a practical matter, however, it may not be necessary to pay UK stamp duty in respect of such an instrument of transfer unless and until the instrument is required to be adduced in evidence before the UK courts in civil proceedings or used for any other official purpose in the UK. Shareholders should seek professional advice as to the consequences of not stamping an instrument of transfer in these circumstances, including as to potential liabilities to interest and penalties should the instrument subsequently need to be stamped for any reason.

The cost of any stamp duty or SDRT that arises in connection with a transfer of Shares would normally be borne by the purchaser.

PART 7

ADDITIONAL INFORMATION

1. Responsibility

- 1.1 The Directors, whose names appear in paragraph 2 below, accept responsibility for the information contained in this document and opinions expressed herein other than (i) the information relating to the members of the Concert Party and its intentions for which such members accept responsibility (as set out in paragraph 1.2 below) and (ii) the recommendation of the Independent Directors set out in paragraph 20 of Part 1 of this document for which the Independent Directors accept responsibility (as set out in paragraph 1.3 below). To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The members of the Concert Party, whose names appear in paragraph 3 below, accept responsibility for the information contained in this document, and opinions expressed herein relating to themselves, including their intentions. To the best of the knowledge and belief of the members of the Concert Party (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 The Independent Directors (excluding, with the consent of the Panel, Nicholas Wakefield by reason of his involvement with the Concert Party), whose names appear in paragraph 2 below, accept responsibility for the recommendation of the Independent Directors set out in paragraph 20 of Part 1 of this document. To the best of the knowledge and belief of the Independent Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

- 2.1 The Directors of the Company are:
- Patrick Firth (*Independent Non-Executive Chairman*)
 - John Whittle (*Independent Non-Executive Director*)
 - Nicholas Wakefield (*Non-Executive Director*)
 - Andrew Whelan (*Executive Director*)
 - Emma Stubbs (*Executive Director*)
- 2.2 Patrick Firth and John Whittle are Independent Directors.

3. Information on the Concert Party

- 3.1 The names and addresses of the members of the Concert Party are set out below.
- Somerston Fintech Limited, 45 Esplanade St Helier Jersey JE2 3QB
 - Golf Investments Limited, 45 Esplanade St Helier Jersey JE2 3QB
 - Lexo Investments Limited, 47 Esplanade St Helier Jersey JE1 0BD
 - Neslo Partners No. 2 Limited, 47 Esplanade St Helier Jersey JE1 0BD
 - La Hauteur Investments Limited, Les Hirondelles La Rue D'Aval St Martin Jersey JE3 6ER

4. Interests and Dealings

4.1 For the purposes of this paragraph 4:

- a. references to persons “acting in concert” comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. A person and each of its affiliated persons will be deemed to be acting in concert with each other. Without prejudice to the general application of this definition, the following persons will be presumed to be persons acting in concert with other persons in the same category unless the contrary is established:
 - i. a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other (for this purpose ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status);
 - ii. a company with any of its directors (together with their close relatives and the related trusts of any of them);
 - iii. a company with any of its pension schemes and the pension schemes of any company covered in (i);
 - iv. a fund manager (including an exempt fund manager) with any investment company, unit trust or other person whose investments such fund manager manages on a discretionary basis, in respect of the relevant investment accounts;
 - v. a person, the person’s close relatives, and the related trusts of any of them, all with each other;
 - vi. the close relatives of a founder of a company to which the Takeover Code applies, their close relatives, and the related trusts of any of them, all with each other;
 - vii. a connected adviser with its client and, if its client is acting in concert with an offeror or with the offeree company, with that offeror or with that offeree company respectively, in each case in respect of the interests in shares of that adviser and persons controlling, controlled by or under the same control as that adviser (except in the capacity of an exempt fund manager or an exempt principal trader);
 - viii. directors of a company which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent; and
 - ix. shareholders in a private company who sell their shares in that company in consideration for the issue of new shares in a company to which the Takeover Code applies, or who, following the re-registration of that company as a public company in connection with an initial public offering or otherwise, become shareholders in a company to which the Takeover Code applies.
- b. an “arrangement” includes any indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to Relevant Securities which may be an inducement to deal or refrain from dealing;
- c. a “connected adviser” has the meaning attributed to it in the Takeover Code;
- d. “connected person” a director, those persons whose interests in Existing Ordinary Shares the director would be required to disclose pursuant to Part 22 of the UK Companies Act and related regulations and includes any spouse, civil partner, infants (including step children), relevant trusts and any company in which a director holds at least 20 per cent. of its voting capital;

- e. “control” means an interest, or aggregate interests, of shares in the capital of a company carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding or aggregate holdings give de facto control;
- f. “dealing or dealt” include:
 - i. acquiring or disposing of Relevant Securities, the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights allocated to Relevant Securities or general control of Relevant Securities;
 - ii. taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option in respect of any Relevant Securities;
 - iii. subscribing or agreeing to subscribe for Relevant Securities (whether in respect of new or existing securities);
 - iv. exercising or converting any Relevant Securities carrying conversion or subscription rights;
 - v. acquiring, disposing of, entering into, closing out, exercising (by either party) of any rights under, or varying of, a derivative referenced directly or indirectly, to Relevant Securities;
 - vi. entering into, terminating or varying the terms of any agreement to purchase or sell Relevant Securities;
 - vii. redeeming or purchasing of, or taking or exercising an option over, any of its own Relevant Securities by the offeree company or an offeror; and
 - viii. any other action resulting, or which may result, in an increase or decrease in the number of Relevant Securities in which a person is interested or in respect of which he has a short position;
- g. “derivative” includes any financial product whose value in whole or in part is determined, directly or indirectly, by reference to the price of an underlying security;
- h. “disclosure date” means 16 November 2020, being the latest practicable date prior to the publication of this document;
- i. “disclosure period” means the period of 12 months ending on the disclosure date;
- j. an “exempt fund manager” means a person who manages investment accounts on a discretionary basis and is recognised by the Panel as an exempt fund manager for the purposes of the Takeover Code;
- k. an “exempt principal trader” means a person who is recognised by the Panel as an exempt principal trader for the purposes of the Takeover Code;
- l. being “interested” in Relevant Securities includes where a person:
 - i. owns Relevant Securities; or
 - ii. has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to Relevant Securities or has general control of them; or
 - iii. by virtue of any agreement to purchase, option or derivative, has the right or option to acquire Relevant Securities or to call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
 - iv. is party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them;

- m. “Relevant Securities” means securities which comprise equity share capital (or derivatives referenced thereto) and securities convertible into rights to subscribe for and options (including traded options) in respect of any such securities; and
- n. “short position” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require any other person to purchase or take delivery.

4.2 The interests of the Directors (including persons connected with the Directors within the meaning of section 252 of the UK Companies Act and any member of the Director’s family (as defined in the AIM Rules)) in relevant securities as at the disclosure date are set out below.

<i>Director</i>	<i>Number of relevant securities held at disclosure date</i>	<i>Percentage of relevant securities at disclosure date</i>
Patrick Firth	278,669 Existing Ordinary Shares	0.09%
John Whittle	104,550 Existing Ordinary Shares	0.03%
Andrew Whelan	9,553,734 Existing Ordinary Shares	3.06%
Emma Stubbs	1,380,940 Existing Ordinary Shares	0.44%

4.3 As at the disclosure date, there are no share options granted to Directors (and any persons connected with them (within the meaning of section 252 of the UK Companies Act)).

4.4 There have been no dealings in relevant securities by the Directors (or members of their immediate families) during the disclosure period.

4.5 The interests of the members of the Concert Party (and the interests of persons connected with any of them (within the meaning of section 252 of the UK Companies Act)) or any persons acting in concert with any of them or with the Company in relevant securities as at the disclosure date are set out below.

<i>Member of Concert Party</i>	<i>Number of relevant securities held at disclosure date</i>	<i>Percentage of relevant securities at disclosure date</i>
Somerston Fintech Limited	32,202,329 Existing Ordinary Shares	10.32%
Golf Investments Limited	50,815,167 Existing Ordinary Shares	16.28%
Lexo Investments Limited	2,242,829 Existing Ordinary Shares	0.72%
Neslo Partners No. 2 Limited	4,932,743 Existing Ordinary Shares	1.58%
La Hauteur Investments Limited	150,000 Existing Ordinary Shares	0.05%

4.6 There have been no dealings in Relevant Securities of the Company by members of the Concert Party or any person acting on concert with any member of the Concert Party in the disclosure period.

4.7 Save as disclosed in paragraphs 4.2, 4.3 and 4.5, as at the disclosure date, none of the Directors, no member of the Concert Party, their immediate families or person connected with them (within the meaning of Part 22 of the UK Companies Act and related regulations) nor any persons acting in concert with them or with the Company, had any interests, rights to subscribe or short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery in any relevant securities of the Company.

4.8 There were no arrangements of the kind referred to in Note 11 of the definition of acting in concert in the Takeover Code which existed between the Company nor any of the Directors nor any member of the Concert Party (including any members of such Directors’ or Concert Party member’s respective immediate families, related trusts or connected persons) or any associate of the Company and any other person, nor have any dealings in relevant securities of the Company taken place by such parties during the disclosure period.

4.9 Neither the Company nor any of the Directors (including any members of such Directors' respective immediate families, related trusts or connected persons) had any interest in or right to subscribe for, or had any short position in relation to, any relevant securities of any member of the Concert Party (or derivatives referenced thereto) or securities convertible into, rights to subscribe for or options (including traded options), any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, in respect thereof.

5. Major Shareholders

As at 16 November 2020 (being the latest practicable date prior to publication of this document), in so far as known to the Company, the following persons had an interest in the Company's issued Existing Ordinary Share capital which is notifiable under Chapter 5 of the FCA's Disclosure Guidance and Transparency Rules:

<i>Shareholder</i>	<i>Number of Existing Ordinary Shares held</i>	<i>Percentage of voting rights</i>
Somerston Group (comprising the shareholdings held of Somerston Fintech and Golf)	83,017,496	26.60%
Philip J Milton & Company plc	41,081,186	13.16%
Investec Wealth & Investment	16,590,873	5.32%
DBH Global Holdings	15,603,285	5.00%
AXA Investment Managers	13,188,000	4.23%
Chelverton Asset Management	9,800,000	3.14%
Andrew Whelan	9,553,734	3.06%

6. Directors' service agreements

<i>Director</i>	<i>Position</i>	<i>Date of agreement and term</i>	<i>Current annual remuneration (including other benefits)</i>	<i>Compensation on early termination</i>	<i>Notice period</i>
Patrick Firth	Non-Executive Chairman	17 June 2005 Term is indefinite subject to the retirement provisions under the Articles	£50,000 p.a.	None or 3 months' payment in lieu of notice upon termination	3 months' prior written notice from either the director or the Company
John Whittle	Non-Executive Director	23 September 2016 Term is indefinite subject to the retirement provisions under the Articles	£42,500 p.a.	None or 3 months' payment in lieu of notice upon termination	3 months' prior written notice from either the director or the Company
Nicholas Wakefield	Non-Executive Director	4 June 2019 Term is indefinite subject to the retirement provisions under the Articles	£35,000 p.a.	None or 3 months' payment in lieu of notice upon termination	3 months' prior written notice from either the director or the Company

<i>Director</i>	<i>Position</i>	<i>Date of agreement and term</i>	<i>Current annual remuneration (including other benefits)</i>	<i>Compensation on early termination</i>	<i>Notice period</i>
Andrew Whelan	Executive Director	16 December 2014 (but employment began 2 September 2013). Term is indefinite subject to the retirement provisions under the Articles	£262,254 p.a.	At the Company's discretion, 3 months' salary in lieu of notice upon termination. In the event of a takeover, 6 months' salary	12 months' prior written notice from either the director or the Company, 30 days' notice in the event of a takeover.
Emma Stubbs	Executive Director	23 October 2013 Term is indefinite subject to the retirement provisions under the Articles	£163,909 p.a.	At the Company's discretion, 3 months' salary in lieu of notice upon termination. In the event of a takeover, 6 months' salary	6 months' prior written notice from either the director or the Company, 30 days' notice in the event of a takeover.

There are no other service contracts between the Directors and the Company or any of its subsidiaries and no service contracts have been entered into nor have existing service contracts been replaced or amended during the period of six months prior to the date of this document.

7. Middle market quotations

The following table sets out the middle market quotations for an Existing Ordinary Share, as derived from the Daily Official List of London Stock Exchange, for the first Business Day of each of the six months immediately preceding the date of this document and on 16 November 2020 (being the latest practicable date prior to the publication of this document):

<i>Date</i>	<i>Price per Existing Ordinary Share</i>
1 June 2020	2.95p
1 July 2020	2.75p
3 August 2020	2.15p
1 September 2020	2.15p
1 October 2020	2.30p
2 November 2020	2.30p
16 November 2020	2.25p

8. Material Contracts

The following are the only material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company or any of its subsidiaries within the two years immediately preceding the date of this document.

8.1 *Placing and Open Offer Agreement*

On 17 November 2020, the Company and Liberum entered into the Placing and Open Offer Agreement in connection with the Issue and Admission.

The Placing and Open Offer Agreement may be terminated by Liberum in certain customary circumstances prior to Admission. The Company has appointed Liberum as financial adviser in connection with the Issue.

The obligations of Liberum under the Placing and Open Offer Agreement are conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, inter alia, Admission occurring and becoming effective by 8.00 a.m. on or prior to 7 December 2020 (or such later time and/or date as the Company and Liberum may agree and, in any event, no later than 8.00 a.m. on 31 January 2021).

For its services in connection with the Issue, Liberum will be entitled to a corporate finance fee, payable on Admission. In addition, Liberum is entitled to be reimbursed for certain reasonable costs, charges and expenses in relation to the Issue.

The Company has given warranties and indemnities to Liberum that are standard for an agreement of this nature.

The Placing and Open Offer Agreement is governed by the laws of England and Wales.

8.2 ***Relationship Agreement***

On 17 November 2020, the Company, Somerston Fintech and Golf, entered into the Relationship Agreement to manage the relationship between the Company, Somerston Fintech and Golf following Admission.

The Relationship Agreement is conditional on Admission occurring and:

- (a) provides Somerston Fintech the right to nominate an observer to attend each board meeting of the Company and each subsidiary of the Company together with each meeting of each committee of the board of the Company and each meeting of each committee of the board of each subsidiary of the Company;
- (b) provides that the Company shall be allowed to operate independently of Somerston Fintech, Golf and their associates;
- (c) provides that all arrangements between Somerston Fintech, Golf and their associates and the Company will be on arm's length terms and on a normal commercial basis;
- (d) provides that each of Somerston Fintech and Golf shall promptly notify the Company of any actual or potential transaction, dealing or relationship between it, its associates or its group and shall use its reasonable endeavours to ensure that such transaction, dealing or relationship be on arm's length terms and on a normal commercial basis;
- (e) requires that each of Somerston Fintech and Golf abstains from doing anything which would result in a member of the Group not being capable of carrying on independent business;
- (f) confirms that neither Somerston Fintech nor Golf shall not cause the Company to fail to comply or prevent the Company from complying with its AIM and other regulatory obligations; and
- (g) provides that none of Somerston Fintech, Golf and their respective associates will propose or vote on a resolution of the Company to cancel the Company's admission to trading on AIM save in certain circumstances including with the consent of the Independent Directors or where such resolution has been proposed by one or more shareholders who are not related parties of Somerston Fintech or Golf or parties acting in concert with Somerston Fintech or Golf (including but not limited to current members of the Concert Party).

The provisions of the Relationship Agreement shall cease to have effect on Somerston Fintech and Golf if Admission does not occur or becomes incapable of occurring on or before 31 January 2021 (or such other later date as may be agreed in writing between the parties thereto). Otherwise, the Relationship Agreement shall remain in full force and effect for the period that the share capital of the Company remains admitted to listing or trading on any stock exchange or platform.

The Relationship Agreement is governed by the laws of England and Wales.

Save for the Relationship Agreement entered into with the Company as described more fully in paragraph 8.2 above, there have been no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Concert Parties or any of their subsidiaries within the two years immediately preceding the date of this document.

9. Additional disclosures required by the Takeover Code

As at the disclosure date:

- 9.1 neither the Company nor any person acting in concert with the Company nor any member of the Concert Party had borrowed or lent any Relevant Securities of the Company, save for any borrowed shares which have either been on-lent or sold;
- 9.2 no member of the Concert Party, nor any person acting in concert with them has entered into an agreement, arrangement or understanding (including any compensation arrangement) with any of the Directors, recent directors, Shareholders, recent Shareholders or any other person interested or recently interested in Existing Ordinary Shares which are connected with or dependent upon the outcome of the Proposals or Admission;
- 9.3 no member of the Concert Party has entered into any agreement, arrangement or understanding to transfer any interest acquired in the Company, pursuant to the Proposals or Admission;
- 9.4 there are no relationships (personal, financial or commercial), arrangements or understandings between any member of the Concert Party and Liberum or any person who is, or is presumed to be, acting in concert with Liberum, save that Liberum acts as nominated adviser to the Company, of whom Nicholas Wakefield has been a director since 4 June 2019; and
- 9.5 Liberum Capital Limited, registered office Ropemaker Place Level 12, 25 Ropemaker Street, London, EC2Y 9LY, as NOMAD to the Company, and the Independent Directors are presumed to be acting in concert with the Company.

10. Consent

Liberum has given, and has not withdrawn, its written consent to the issue of this document with the inclusion of its name and references to it in the form and in the context in which it appears.

11. Documents available for inspection

Copies of this document and the following documents are available, free of charge, at the office of the Company at Block C, Hirzel Court, Hirzel Street, St Peter Port, Guernsey, GY1 2NL Channel Islands and on the Company's website: www.glifinance.com.

- 11.1 the Existing Articles;
- 11.2 the New Articles (shown as a comparison document);
- 11.3 the memorandum and articles of incorporation of Somerston Fintech;
- 11.4 the memorandum and articles of incorporation of Golf;
- 11.5 the audited consolidated accounts of the Company for the three financial years ended 31 December 2017, 2018 and 2019 and the half-yearly report for the period ending 30 June 2020;
- 11.6 the material contracts referred to in paragraph 8 of this Part 7 in so far as they were entered into in connection with the Proposals;
- 11.7 this document; and
- 11.8 the written consent referred to in paragraph 10 of this Part 7.

Dated 17 November 2020

PART 8

TERMS AND CONDITIONS OF APPLICATION UNDER THE OPEN OFFER

1. Introduction

The Open Offer is an opportunity for Qualifying Shareholders to apply for New Ordinary Shares *pro rata* to their holdings as at the Record Date at the Issue Price at a ratio of 1,583 New Ordinary Shares for every 4,940 Existing Ordinary Shares held as at the Record Date in accordance with the terms of the Open Offer.

The Record Date for entitlements under the Open Offer for Qualifying CREST Shareholders and Qualifying non-CREST Shareholders is close of business on 13 November 2020. Open Offer Application Forms for Qualifying non-CREST Shareholders accompany this document.

Any New Ordinary Shares not taken up pursuant to the Open Offer will be made available under the Excess Application Facility. Applications in the Excess Application Facility from Qualifying Shareholders other than Somerston Fintech and Golf will be given priority in allocation of New Ordinary Shares under the Excess Application Facility. Otherwise, there will be no priority given to applications under the Open Offer.

The latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer and settlement of relevant instructions (as appropriate) is expected to be 11.00 a.m. on 2 December 2020 with Admission and commencement of dealings in New Ordinary Shares expected to take place at 8.00 a.m. on 7 December 2020.

The Open Offer is conditional upon completion of the Firm Placing. In the event that the Firm Placing does not proceed, then applications in the Open Offer will not be accepted and subscription monies will be returned to Shareholders in accordance with the terms and conditions set out in this Part 8.

This document and, for Qualifying non-CREST Shareholders only, the Open Offer Application Form contain the formal terms and conditions of the Open Offer. Your attention is drawn to paragraphs 4.1 and 4.2 of this Part 8 which give details of the procedure for application and payment for the New Ordinary Shares under the Open Offer.

Applications will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the AIM market of the London Stock Exchange.

Any Shareholder who has sold or transferred all or part of his registered holding(s) of Existing Ordinary Shares prior to 17 November 2020 (being the ex-entitlement date for the Open Offer) is advised to consult his stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for New Ordinary Shares under the Open Offer may be a benefit which may be claimed from him by the purchasers under the rules of the London Stock Exchange.

2. The Open Offer

Subject to the terms and conditions set out below (and, in the case of Qualifying non-CREST Shareholders, in the Open Offer Application Form), Qualifying Shareholders are being given the opportunity under the Open Offer to apply for up to 1,583 New Ordinary Shares for every 4,940 Existing Ordinary Shares held and registered in their name as at the Record Date. Open Offer Entitlements will be rounded down to the nearest whole number and any fractional entitlements to New Ordinary Shares will be disregarded in calculating Open Offer Entitlements. Fractions will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility.

Excess applications may be allocated in such manner as the Directors may determine in their absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all. Shareholders with no basic Open Offer Entitlement may not apply under the Excess Application Facility.

Assuming that 100 million New Ordinary Shares are issued pursuant to the Issue: (i) Qualifying Shareholders who take up their full Open Offer Entitlement (excluding any New Ordinary Shares

acquired through the Excess Application Facility) in respect of the Open Offer will not suffer any dilution to their interests in the Company as a result of the Issue; and (ii) Qualifying Shareholders who do not take up any of their Open Offer Entitlement and Shareholders who are not eligible to participate in the Open Offer, will suffer a maximum dilution of approximately 36.29 per cent. to their ownership and voting interests in the Company by virtue of the issue of New Ordinary Shares pursuant to the Issue.

Holdings of Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer, as will holdings under different designations and in different accounts.

If you are a Qualifying non-CREST Shareholder, the Open Offer Application Form shows the number of New Ordinary Shares available to you under your Open Offer Entitlement (in Box 3).

Qualifying CREST Shareholders will have Open Offer Entitlements credited to their stock accounts in CREST and should refer to paragraph 4.2 of this Part 8 for information on the relevant CREST procedures. Qualifying CREST Shareholders can also refer to the CREST Manual for further information on the relevant CREST procedures.

Shareholders should be aware that the Open Offer is not a rights issue. Qualifying non-CREST Shareholders should also note that their respective Open Offer Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be credited to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by CREST's Claims Processing Unit. New Ordinary Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up New Ordinary Shares will have no rights under the Open Offer. Any New Ordinary Shares which are not applied for by Qualifying Shareholders under their Open Offer Entitlements may be made available under the Excess Application Facility (with the proceeds being retained for the benefit of the Company).

Application will be made for the Open Offer Entitlements to be credited to Qualifying CREST Shareholders' CREST accounts. The Open Offer Entitlements are expected to be credited to CREST accounts as soon as possible after 8.00 a.m. on 18 November 2020.

3. Conditions and further terms of the Open Offer

The Open Offer is conditional upon, amongst other things, the completion of the Firm Placing, the passing of the Issue Resolution at the Extraordinary General Meeting, the Placing and Open Offer Agreement becoming unconditional in respect of the Issue (other than as to Admission) and not being terminated prior to Admission and Admission becoming effective by not later than 8.00 a.m. on 7 December 2020 (or such later time and/or date as Liberum and the Company may determine, being not later than 8.00 a.m. on 31 January 2021). A summary of the Placing and Open Offer Agreement is set out in paragraph 8.1 of Part 7 of this document.

Accordingly, if these conditions are not satisfied the Open Offer will not proceed and any applications made by Qualifying Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable, but in any event within 14 days thereafter.

No temporary documents of title will be issued. Definitive certificates in respect of New Ordinary Shares are expected to be posted to those Qualifying Shareholders who have validly elected to hold their New Ordinary Shares in certificated form in the week commencing 14 December 2020. In respect of those Qualifying Shareholders who have validly elected to hold their New Ordinary Shares in uncertificated form, the New Ordinary Shares are expected to be credited to their stock accounts maintained in CREST on 7 December 2020.

All monies received by the Receiving Agent in respect of New Ordinary Shares will be credited to a non-interest bearing account by the Receiving Agent.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will notify the FCA and make an appropriate announcement by an RIS announcement giving details of the revised dates.

4. Procedure for application and payment in respect of the Open Offer

The action to be taken by you in respect of the Open Offer depends on whether you hold your Existing Ordinary Shares in certificated or uncertificated form.

Qualifying Shareholders who hold all their Existing Ordinary Shares in certificated form will receive an Open Offer Application Form enclosed with this document. The Open Offer Application Form shows Qualifying non-CREST Shareholders the number of New Ordinary Shares available under their Open Offer Entitlement that can be allotted in certificated form. Qualifying Shareholders who hold all their Existing Ordinary Shares in CREST will be allotted their Open Offer Entitlements in CREST. Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form will be allotted New Ordinary Shares in uncertificated form to the extent that their entitlement to New Ordinary Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4.2.7 of this Part 8.

CREST sponsored members should refer to their CREST sponsor as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply for New Ordinary Shares in respect of their Open Offer Entitlements or who wish to apply to subscribe for more than their Open Offer Entitlement in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

Qualifying Shareholders who do not wish to apply for New Ordinary Shares under the Open Offer should take no action and should not complete or return the Open Offer Application Form, or send a USE message through CREST.

4.1 *If you have an Open Offer Application Form in respect of your Open Offer Entitlement under the Open Offer*

4.1.1 *General*

Subject as provided in paragraph 6 of this Part 8 in relation to certain Overseas Shareholders, Qualifying non-CREST Shareholders will receive an Open Offer Application Form. The Open Offer Application Form shows the number of New Ordinary Shares available to them under their Open Offer Entitlement in Box 3. Any fractional entitlements to New Ordinary Shares will be disregarded in calculating Open Offer Entitlements and will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility. Box 4 shows how much they would need to pay if they wish to take up their Open Offer Entitlement in full. Qualifying non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Qualifying non-CREST Shareholders may also hold such an Open Offer Application Form by virtue of a *bona fide* market claim. Qualifying non-CREST Shareholders may also apply for Excess New Shares under the Excess Application Facility by completing Box 6 on the Open Offer Application Form.

The instructions and other terms set out in the Open Offer Application Form form part of the terms of the Open Offer in relation to Qualifying non-CREST Shareholders.

4.1.2 *Bona fide market claims*

Applications to acquire New Ordinary Shares under the Open Offer may only be made on the Open Offer Application Form and may only be made by the Qualifying non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer (being 17 November 2020). Open Offer Application Forms may not be assigned, transferred or split, except to satisfy bona fide market claims up to 3.00 p.m. on 30 November 2020. The Open Offer Application Form is not a negotiable document and cannot be separately traded. A Qualifying non-CREST Shareholder who has sold or

otherwise transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire New Ordinary Shares under the Open Offer may be a benefit which may be claimed by the transferee. Qualifying non-CREST Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 10 on the Open Offer Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Open Offer Application Form should not, however be forwarded to or transmitted in or into the United States or any other Excluded Territory. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Open Offer Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 4.2(b) below.

A Qualifying CREST Shareholder that, as a result of a bona fide market claim has received a shortfall of Excess CREST Open Offer Entitlements to their CREST account and would like to apply for a larger number of Excess CREST Open Offer Entitlements should contact the Receiving Agent and arrange for a further credit of Excess CREST Open Offer Entitlements to be made, subject at all times to the maximum number of Excess CREST Open Offer Entitlements available.

4.1.3 *Excess Application Facility*

Qualifying Shareholders may apply to acquire Excess New Shares using the Excess Application Facility, should they wish. Qualifying non-CREST Shareholders wishing to apply for Excess New Shares may do so by completing Box 6, 7 and 8 on the Open Offer Application Form. The maximum number of New Ordinary Shares to be allotted under the Excess Application Facility shall be limited to: (a) the maximum size of Open Offer; less (b) the New Ordinary Shares issued under the Open Offer pursuant to Qualifying Shareholders’ Open Offer Entitlements. Only Qualifying Shareholders with Open Offer Entitlements may make applications under the Excess Application Facility. Applications under the Excess Application Facility shall be allocated by the Company in consultation with Liberum and no assurance can be given that the applications by Qualifying Shareholders will be met in full or in part. Shareholders with no basic Open Offer Entitlement may not apply under the Excess Application Facility.

Excess monies in respect of applications which are not met in full will be returned to the applicant at the applicant’s risk without interest as soon as practicable, but in any event within 14 days thereafter, by way of cheque or CREST payment, as appropriate.

A credit of Excess CREST Open Offer Entitlements will be made to each Qualifying CREST Shareholder; if a Qualifying CREST Shareholder would like to apply for a larger Excess CREST Open Offer Entitlement such Qualifying CREST Shareholder should contact the Receiving Agent and arrange for a further credit of Excess CREST Open Offer Entitlements to be made, subject at all times to the maximum number of Excess CREST Open Offer Entitlements available.

4.1.4 *Application procedures*

Qualifying non-CREST Shareholders wishing to apply to acquire New Ordinary Shares (whether in respect of all or part of their Open Offer Entitlement) should complete the Open Offer Application Form in accordance with the instructions printed on it.

Completed Open Offer Application Forms should be posted in the accompanying pre-paid envelope or returned by post to Link Group, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU (who will act as Receiving Agent in relation to the Open Offer) so as to be received by the Receiving Agent by no later than 11.00 a.m. on 2 December 2020, after which time Open Offer Application Forms will not be valid. Qualifying non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. If an Open Offer Application

Form is being sent by first-class post in the UK, Qualifying Shareholders are recommended to allow at least two working days for delivery.

All payments must be in pounds Sterling and made by cheque or banker's draft made payable to "Link Market Services Ltd Re: GLI Finance Ltd – Open Offer A/C 2020" and crossed "A/C payee only". Cheques or bankers' drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and bankers' drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the back of the cheque or draft to confirm that the relevant Qualifying Shareholder has title to the underlying funds. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted.

Cheques or bankers' drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and bankers' drafts to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and bankers' drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If cheques or bankers' drafts are presented for payment before the conditions of the Issue are fulfilled, the application monies will be credited to a non-interest bearing account by the Receiving Agent. If the Issue does not become unconditional, no New Ordinary Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable, but in any event within 14 days, following the lapse of the Issue.

The Company may in its sole discretion, but shall not be obliged to, treat an Open Offer Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (a) Open Offer Application Forms received after 11.00 a.m. on 2 December 2020; or
- (b) applications in respect of which remittances are received before 11.00 a.m. on 2 December 2020 from authorised persons (as defined in FSMA) specifying the New Ordinary Shares applied for and undertaking to lodge the Open Offer Application Form in due course but, in any event, within two Business Days.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

If New Ordinary Shares have already been allotted to a Qualifying non-CREST Shareholder and such Qualifying non-CREST Shareholder's cheque or banker's draft is not honoured upon first presentation or such Qualifying non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, Liberum shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Qualifying non-CREST Shareholder's New Ordinary Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. Neither Liberum nor the Company nor any other person shall be responsible for,

or have any liability for, any loss, expense or damage suffered by such Qualifying non-CREST Shareholders.

4.1.5 *Effect of application*

By completing and delivering an Open Offer Application Form the applicant:

- (a) represents and warrants to the Company and Liberum that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and, if applicable, the Excess Application Facility and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares or acting on behalf of any such person on a non-discretionary basis;
- (b) agrees with the Company and Liberum that all applications under the Open Offer and the Excess Application Facility and contracts resulting therefrom shall be governed by and construed in accordance with the laws of England;
- (c) confirms to the Company and Liberum that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all information in relation to the Company contained in this document (including matters incorporated by reference);
- (d) represents and warrants to the Company and Liberum that he is the Qualifying Shareholder originally entitled to his Open Offer Entitlement or that he received such Open Offer Entitlement by virtue of a *bona fide* market claim;
- (e) represents and warrants to the Company and Liberum that if he has received some or all of his Open Offer Entitlement from a person other than the Company he is entitled to apply under the Open Offer in relation to such Open Offer Entitlement by virtue of a *bona fide* market claim;
- (f) requests that the New Ordinary Shares, to which he will become entitled, be issued to him on the terms set out in this document and the Open Offer Application Form subject to the Articles;
- (g) represents and warrants to the Company and Liberum that he is not, nor is he applying on behalf of, any person who is in, or is a citizen or resident, or is a corporation, partnership or other entity created or organised in or under any laws, of the United States or any other Excluded Territory or any jurisdiction in which the application for New Ordinary Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the New Ordinary Shares which are the subject of his application in or to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States or any other Excluded Territory or any jurisdiction in which the application for New Ordinary Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor person(s) otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares under the Open Offer;
- (h) represents and warrants to the Company and Liberum that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the

increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986;

- (i) confirms that in making the application he is not relying and has not relied on Liberum or any person affiliated with Liberum in connection with any investigation of the accuracy of any information contained in this document or his investment decision;
- (j) acknowledges that the content of this document is exclusively the responsibility of the Company and its Directors and neither Liberum nor any person acting on its behalf nor any of its affiliates are responsible for or shall have any liability for any information, representation or statement contained in this document or any information published by or on behalf of the Company and will not be liable for any decision to participate in the Open Offer based on any information, representation or statement contained in this document or otherwise;
- (k) acknowledges that no person is authorised in connection with the Open Offer to give any information or make any representation other than as contained in this document and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, Liberum or the Receiving Agent; and
- (l) agrees that Liberum and the Receiving Agent are acting for the Company in connection with the Open Offer and for no-one else and that they will not treat you as their customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of the New Ordinary Shares or concerning the suitability of the New Ordinary Shares for you or be responsible to you for the protections afforded to their customers.

4.1.6 *Incorrect or incomplete applications*

If an Open Offer Application Form includes a payment for an incorrect sum, the Company reserves the right:

- (a) to reject the application in full and refund the payment to the applicant (without interest);
- (b) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the applicant (without interest); and
- (c) in the case that an excess sum is paid, to treat the application as a valid application for all the New Ordinary Shares referred to in the Open Offer Application Form, refunding any unutilised sum to the applicant (without interest).

All enquiries in connection with the procedure for application and completion of the Open Offer Application Form should be addressed to the Receiving Agent, Link Group, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham BR3 4TU or you can contact the Receiving Agent on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. **Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.**

Qualifying non-CREST Shareholders who do not wish to take up or apply for the New Ordinary Shares under the Open Offer should take no action and should not complete or return the Open Offer Application Form.

A Qualifying non-CREST Shareholder who is also a CREST member may elect to receive the New Ordinary Shares to which he is entitled in uncertificated form in CREST (please see paragraph 4.2 below for more information).

4.2 ***If you have Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer***

4.2.1 *General*

Subject as provided in paragraph 6 of this Part 8 in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlement equal to the maximum number of New Ordinary Shares for which he is entitled to apply to acquire under the Open Offer. Entitlements to New Ordinary Shares will be rounded down to the nearest whole number and any Open Offer Entitlements will therefore also be rounded down. Any fractional entitlements to New Ordinary Shares will be disregarded in calculating Open Offer Entitlements and will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility.

The CREST stock account to be credited will be an account under the participant ID and member account ID specified below.

If for any reason the Open Offer Entitlement and/or Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by 3.00 p.m. on 18 November 2020, or such later time and/or date as the Company may decide, an Open Offer Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements and Excess CREST Open Offer Entitlements which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying non-CREST Shareholders with Open Offer Application Forms will apply to Qualifying CREST Shareholders who receive such Open Offer Application Forms.

CREST members who wish to apply to acquire some or all of their entitlements to New Ordinary Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact the Receiving Agent on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. **Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.**

If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for New Ordinary Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

4.2.2 *Market claims*

The Open Offer Entitlements and Excess CREST Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and Excess CREST Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as “*cum*” the Open Offer Entitlements and the Excess CREST Open Offer Entitlements will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly.

4.2.3 *Excess Application Facility*

Qualifying Shareholders may apply to acquire Excess New Shares using the Excess Application Facility, should they wish. The Excess Application Facility enables Qualifying CREST Shareholders to apply for Excess New Shares in excess of their Open Offer Entitlement.

An Excess CREST Open Offer Entitlement may not be sold or otherwise transferred. Subject as provided in paragraph 6 of these terms and conditions in relation to Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with an Excess CREST Open Offer Entitlement in order for any applications for Excess New Shares to be settled through CREST.

Qualifying CREST Shareholders should note that, although the Open Offer Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of market claims only). Neither the Open Offer Entitlements nor the Excess CREST Open Offer Entitlements will be tradable or listed and applications in respect of the Open Offer and the Excess Application Facility may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

To apply for Excess New Shares pursuant to the Excess Application Facility, Qualifying CREST Shareholders should follow the instructions in paragraphs 4.2(e) and 4.2(f) below and must not return a paper application form and cheque.

Should a transaction be identified by Euroclear U.K. & Ireland's Claims Processing Unit as "*cum*" the Open Offer Entitlement and the relevant Open Offer Entitlement be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Open Offer Entitlement claim, but will be transferred as a separate claim. Should a Qualifying CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess CREST Open Offer Entitlement credited to CREST and allocated to the relevant Qualifying Shareholder will be transferred to the purchaser. Please note that a separate USE instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

4.2.4 *Unmatched Stock Event ("USE") instructions*

Qualifying CREST Shareholders who are CREST members and who want to apply for New Ordinary Shares in respect of all or some of their Open Offer Entitlements and/or Excess CREST Open Offer Entitlements must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE instruction to Euroclear which, on its settlement, will have the following effect:

- (a) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Open Offer Entitlements and Excess CREST Open Offer Entitlements corresponding to the number of New Ordinary Shares applied for; and
- (b) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of New Ordinary Shares referred to in (i) above.

4.2.5 *Content of USE instruction in respect of Open Offer Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (a) the number of New Ordinary Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (b) the ISIN of the Open Offer Entitlement. This is GG00BMHXFD39;
- (c) the CREST participant ID of the accepting CREST member;
- (d) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;

- (e) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 7RA33;
- (f) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 20972GLI;
- (g) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of New Ordinary Shares referred to in (i) above;
- (h) the intended settlement date. This must be on or before 11.00 a.m. on 2 December 2020; and
- (i) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 2 December 2020.

In order to assist prompt settlement of the USE instruction, CREST members (or their CREST sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 2 December 2020 in order to be valid is 11.00 a.m. on that day.

In the event that the Issue does not become unconditional by 8.00 a.m. on 7 December 2020 or such later time and date as the Company and Liberum may agree (being not later than 8.00 a.m. on 31 January 2021), the Issue will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable, but in any event within 14 days thereafter.

4.2.6 *Content of USE instruction in respect of Excess CREST Open Offer Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (a) the number of Excess New Shares for which application is being made (and hence the number of the Excess CREST Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (b) the ISIN of the Excess CREST Open Offer Entitlement. This is GG00BMYP756;
- (c) the CREST participant ID of the accepting CREST member;
- (d) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (e) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 7RA33;
- (f) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 20972GLI;
- (g) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Excess New Shares referred to in (i) above;

- (h) the intended settlement date. This must be on or before 11.00 a.m. on 2 December 2020; and
- (i) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Excess Application Facility to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 2 December 2020.

In order to assist prompt settlement of the USE instruction, CREST members (or their CREST sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 90.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 2 December 2020 in order to be valid is 11.00 a.m. on that day.

In the event that the Issue does not become unconditional by 8.00 a.m. on 7 December 2020 or such later time and date as the Company and Liberum determine (being not later than 8.00 a.m. on 31 January 2021), the Issue will lapse, the Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable, but in any event within 14 days, thereafter.

4.2.7 *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

A Qualifying non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Open Offer Application Form may be deposited into CREST (either into the account of the Qualifying non-CREST Shareholder named in the Open Offer Application Form or into the name of a person entitled by virtue of a *bona fide* market claim), provided that such Qualifying non-CREST Shareholder is also a CREST member. Similarly, Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Open Offer Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Open Offer Application Form.

A holder of an Open Offer Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 2 December 2020. After depositing their Open Offer Entitlement into their CREST account, CREST holders will, shortly after that, receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent: (i) the recommended latest time for depositing an Open Offer Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Open Offer Application Form as Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST, is 3.00 p.m. on 27 November 2020; and (ii) the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST is 4.30 p.m. on 25 November 2020 – in either case so as to enable the person acquiring or (as appropriate) holding the

Open Offer Entitlements and Excess CREST Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Open Offer Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements, as the case may be, prior to 11.00 a.m. on 2 December 2020. CREST holders inputting the withdrawal of their Open Offer Entitlement from their CREST account must ensure that they withdraw both their Open Offer Entitlements and the Excess CREST Open Offer Entitlements.

Delivery of an Open Offer Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying non-CREST Shareholder named in the Open Offer Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Receiving Agent by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for depositing entitlements under the Open Offer into CREST" on page 3 of the Open Offer Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that it/they is/are not in, or citizen(s) or resident(s) of, the United States or any other Excluded Territory or any jurisdiction in which the application for New Ordinary Shares is prevented by law and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

4.2.8 *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 2 December 2020 will constitute a valid application under the Open Offer.

4.2.9 *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer and the Excess Application Facility. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above and settled by 11.00 a.m. on 2 December 2020. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

4.2.10 *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right:

- (a) to reject the application in full and refund the payment to the CREST member in question (without interest);
- (b) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and
- (c) in the case that an excess sum is paid, to treat the application as a valid application for all the New Ordinary Shares referred to in the USE instruction, refunding any unutilised sum to the CREST member in question (without interest).

4.2.11 *Effect of valid application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby:

- (a) represents and warrants to the Company and Liberum that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and, if applicable, the Excess Application Facility and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares or acting on behalf of any such person on a non-discretionary basis;
- (b) agrees with the Company and Liberum to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (c) agrees with the Company and Liberum that all applications and contracts resulting therefrom under the Open Offer and the Excess Application Facility shall be governed by, and construed in accordance with, the laws of England;
- (d) confirms to the Company and Liberum that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Company contained in this document (including matters incorporated by reference);
- (e) represents and warrants to the Company and Liberum that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlement and Excess CREST Open Offer Entitlement or that he has received such Open Offer Entitlement and Excess CREST Open Offer Entitlement by virtue of a bona fide market claim;
- (f) represents and warrants to the Company and Liberum that if he has received some or all his Open Offer Entitlement and Excess CREST Open Offer Entitlement from a person other than the Company, he is entitled to apply under the Open Offer and the Excess Application Facility in relation to such Open Offer Entitlement and Excess CREST Open Offer Entitlement by virtue of a *bona fide* market claim;
- (g) requests that the New Ordinary Shares to which he will become entitled be issued to him on the terms set out in this document, subject to the Articles;
- (h) represents and warrants to the Company and Liberum that he is not, nor is he applying on behalf of anyone who is in, or is a citizen or resident, or is a corporation, partnership or other entity created or organised in or under any laws of, the United States or any other Excluded Territory or any jurisdiction in which the application for New Ordinary Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the New Ordinary Shares which are the subject of his application in or to, or for the benefit of, any person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States or any other Excluded Territory or any jurisdiction in which the application for New Ordinary Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which the Company (in its absolute discretion) regards as unduly

burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares under the Open Offer or Excess Application Facility;

- (i) represents and warrants to the Company and Liberum that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986; and
- (j) confirms that in making the application he is not relying and has not relied on Liberum or any person affiliated with Liberum in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

4.2.12 *Company's discretion as to the rejection and validity of applications*

The Company may in its sole discretion:

- (a) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part 8;
- (b) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (c) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Registrar receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 34(1) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (d) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for New Ordinary Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure of breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

4.2.13 *Lapse of the Open Offer and Excess Application Facility*

In the event that the Issue does not become unconditional by 8.00 a.m. on 7 December 2020 or such later time and date as the Company and Liberum may agree (being not later than 8.00 a.m. on 31 January 2021), the Issue will lapse, the Open Offer Entitlements and the Excess CREST Open Offer Entitlement admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a CREST Shareholder by way of a CREST payment, without interest, as soon as practicable, but in any event within 14 days, thereafter.

5. Money laundering regulations

5.1 Holders of Open Offer Application Forms

To ensure compliance with the Money Laundering Regulations, the Receiving Agent may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Open Offer Application Form is lodged with payment (which requirements are referred to below as the “verification of identity requirements”). If the Open Offer Application Form is submitted by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Receiving Agent. In such case, the lodging agent’s stamp should be inserted on the Open Offer Application Form.

Anti-money laundering checks are required by law to be performed on certain financial transactions. The checks are performed to make sure investors are genuinely who they say they are and that any application monies have not been acquired illegally or that the Receiving Agent itself is not being used as part of criminal activity, most commonly the placement, layering and integration of illegally obtained money.

While these checks can be carried out at any time, they are usually only performed when dealing with application values above a certain threshold, commonly referred to as the anti-money laundering threshold which is the sterling equivalent of €15,000 (currently approximately £13,500).

Money laundering checks may require an investor to provide an original or certified copy of their passport, driving licence and recent bank statements to support any enquiries made of the credit reference agencies. A money laundering check does not mean the investor is suspected of anything illegal, and, there is nothing to worry about. The checks made at credit reference agencies leave an ‘enquiry footprint’ – an indelible record so that the investor can see who has checked them out. The enquiry footprint does not have any impact on their credit score or on their ability to get credit.

Anti-money laundering checks appear as an enquiry/soft search on the investor’s credit report. The report may contain a note saying “Identity Check to comply with Anti Money Laundering Regulations”.

The person lodging the Open Offer Application Form with payment and in accordance with the other terms as described above (the “acceptor”), including any person who appears to the Receiving Agent to be acting on behalf of some other person, accepts the Open Offer in respect of such number of New Ordinary Shares as is referred to therein (for the purposes of this paragraph 5 the “relevant New Ordinary Shares”) and shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as the Receiving Agent may require to satisfy the verification of identity requirements.

If the Receiving Agent determines that the verification of identity requirements apply to any acceptor or application, the relevant New Ordinary Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant acceptor unless and until the verification of identity requirements have been satisfied in respect of that acceptor or application. The Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any acceptor or application and whether such requirements have been satisfied, and neither the Receiving Agent nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the monies payable on acceptance of the Open Offer will be returned (at the acceptors risk) without interest to the account of the bank or building society on which the relevant cheque or banker’s draft was drawn.

Submission of an Open Offer Application Form with the appropriate remittance will constitute a warranty to each of the Company, the Receiving Agent and Liberum from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

The verification of identity requirements will not usually apply:

- 5.1.1 if the applicant is an organisation required to comply with the Money Laundering Regulations;
- 5.1.2 if the acceptor is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;
- 5.1.3 if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant's name; or
- 5.1.4 if the aggregate subscription price for the New Ordinary Shares is less than €15,000 (approximately £13,500).

In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:

- 5.1.5 if payment is made by cheque or banker's draft in Sterling drawn on a branch in the United Kingdom of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques should be made payable to "Link Market Services Ltd Re: GLI Finance Ltd – Open Offer A/C 2020" and crossed "A/C payee only". Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the back of the cheque/banker's draft to such effect. The account name should be the same as that shown on the Open Offer Application Form; or
- 5.1.6 if the Open Offer Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (a) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which include Argentina, Australia, Brazil, Canada, China, Hong Kong, Iceland, India, Japan, Mexico, New Zealand, Norway, Russian Federation, Singapore, the Republic of Korea, the Republic of South Africa, Switzerland, Turkey, UK Crown Dependencies and the USA), the agent should provide with the Open Offer Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Registrar. If the agent is not such an organisation, it should contact the Registrar at the address set out on page 28 of this document.

To confirm the acceptability of any written assurance referred to in (b) above, or in any other case, the acceptor should contact the Receiving Agent, Link Group on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. **Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.**

If the Open Offer Application Form(s) is/are in respect of New Ordinary Shares under the Open Offer with an aggregate subscription price of the Sterling equivalent of €15,000 (approximately £13,500) or more and is/are lodged by hand by the acceptor in person, or if the Open Offer Application Form(s) in respect of New Ordinary Shares is/are lodged by hand by the acceptor and the accompanying payment is not the acceptor's own cheque, he or she should ensure that he or she has with him or her evidence of identity bearing his or her photograph (for example, his or her passport) and separate evidence of his or her address.

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 2 December 2020, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Receiving Agent under instructions from the Company may, at its discretion, reject the relevant application, in which event the monies submitted in respect of that application will be returned, at the risk of the applicant, without interest to the account at the drawee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

5.2 ***Open Offer Entitlements in CREST***

If you hold your Open Offer Entitlement in CREST and apply for New Ordinary Shares in respect of some or all of your Open Offer Entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to the Company, the Receiving Agent and Liberum to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the New Ordinary Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the New Ordinary Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

6. **Overseas Shareholders**

The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

6.1 ***General***

The distribution of this document and the making of the Open Offer to persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirements or other formalities to enable them to apply for New Ordinary Shares under the Open Offer.

No action has been or will be taken by the Company or Liberum or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or application form(s) relating to the New Ordinary Shares under the Open Offer) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom.

No public offer of New Ordinary Shares is being made by virtue of this document or the Open Offer Application Form into the United States or any other Excluded Territory.

Receipt of this document and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an

invitation or offer and, in those circumstances, this document and/or the Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed.

Open Offer Application Forms will not be sent to, and Open Offer Entitlements will not be credited to stock accounts in CREST of, persons with registered addresses in the United States or any other Excluded Territory or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this document and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Open Offer Application Form and/or credit of Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Open Offer Application Form and/or credit of Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for New Ordinary Shares under the Open Offer to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory.

Neither the Company nor Liberum, nor any of their respective representatives is making any representation to any offeree or purchaser of the New Ordinary Shares regarding the legality of an investment in the New Ordinary Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements to a stock account in CREST, in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for New Ordinary Shares in respect of the Open Offer unless the Company or Liberum determine that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or an Open Offer Application Form and/or transfers Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part 8 and specifically the contents of this paragraph 6.

The Company reserves the right to treat as invalid any application or purported application for New Ordinary Shares that appears to the Company or its agents to have been executed, effected, or despatched from or in relation to the United States or any other Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates relating to New Ordinary Shares (or in the case of a credit of Open Offer Entitlements to a stock account in CREST, to a CREST member whose registered address would be), in the United States or any other Excluded Territory or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

Notwithstanding any other provision of this document or the relevant Open Offer Application Form, the Company reserves the right to permit any person to apply for New Ordinary Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for New Ordinary Shares should note that payment must be made in Sterling denominated cheques or bankers' drafts or where such Overseas Shareholder is a CREST Shareholder, through CREST.

6.2 ***United States***

The New Ordinary Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, may not be offered or sold, re-sold, taken up, transferred, delivered or distributed, directly or indirectly, within the United States.

Accordingly, the Company is not extending the Open Offer into the United States and neither this document nor the Open Offer Application Form constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any New Ordinary Shares in the United States. Neither this document nor an Open Offer Application Form, will be sent to, and no New Ordinary Shares will be credited to, a stock account in CREST of, any Shareholder with a registered address in the United States. Open Offer Application Forms sent from or postmarked in the United States will be deemed to be invalid and all persons acquiring New Ordinary Shares and wishing to hold such New Ordinary Shares in registered form must provide an address for registration of the New Ordinary Shares issued upon exercise thereof outside the United States.

Any person who acquires New Ordinary Shares under the Open Offer or Excess Application Facility will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Open Offer Application Form and delivery of the New Ordinary Shares, that they are not, and that at the time of acquiring the New Ordinary Shares they will not be, in the United States or acting on behalf of, or for the account or benefit of a person on a non-discretionary basis in the United States or any state of the United States.

The Company reserves the right to treat as invalid any Open Offer Application Form that appears to the Company or its agents to have been executed in, or despatched from, the United States, or that provides an address in the United States for the receipt of New Ordinary Shares, or which does not make the warranty set out in the Open Offer Application Form to the effect that the person completing the Open Offer Application Form does not have a registered address and is not otherwise located in the United States and is not acquiring the New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares in the United States or where the Company believes acceptance of such Open Offer Application Form may infringe applicable legal or regulatory requirements.

The Company will not be bound to allot or issue any New Ordinary Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Open Offer Application Form or any New Ordinary Shares may be transferred. In addition, the Company and Liberum reserve the right to reject any USE instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the New Ordinary Shares.

6.3 ***Excluded Territories***

The New Ordinary Shares have not been and will not be registered under the relevant laws of any Excluded Territory or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Excluded Territory (being Australia, Canada, Japan, South Africa and the United States and any other jurisdiction where the availability of the Issue would breach any applicable law) or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Excluded Territory except pursuant to an applicable exemption. No offer of New Ordinary Shares is being made by virtue of this document or the Open Offer Application Form into any Excluded Territory.

6.4 ***Other overseas territories***

Open Offer Application Forms will be sent to Qualifying non-CREST Shareholders and Open Offer Entitlements will be credited to the stock account in CREST of Qualifying CREST Shareholders. Shareholders in jurisdictions other than the United Kingdom may, subject to the laws of their relevant jurisdiction, take up New Ordinary Shares under the Open Offer in accordance with the instructions set out in this document and the Open Offer Application Form.

Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of countries other than the United Kingdom should consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to apply for any New Ordinary Shares in respect of the Open Offer.

6.5 ***Representations and warranties relating to Overseas Shareholders***

6.5.1 *Non-CREST Shareholders*

Any person completing and returning an Open Offer Application Form or requesting registration of the New Ordinary Shares comprised therein represents and warrants to the Company, Liberum and the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's use of the Open Offer Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant New Ordinary Shares from within the United States or any other Excluded Territory; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire New Ordinary Shares in respect of the Open Offer or to use the Open Offer Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Excluded Territory (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares into any of the above territories. The Company and/or the Receiving Agent may treat as invalid any acceptance or purported acceptance of the allotment of New Ordinary Shares comprised in an Open Offer Application Form if it: (i) appears to the Company or its agents to have been executed, effected or despatched from the United States or any other Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in the United States or any other Excluded Territory for delivery of the share certificates (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph 6.5(a).

6.5.2 *CREST Shareholders*

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part 8 represents and warrants to the Company, Liberum and the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) he or she is not within the United States or any other Excluded Territory; (ii) he or she is not in any territory in which it is unlawful to make or accept an offer to acquire New Ordinary Shares; (iii) he or she is not accepting on a non-discretionary basis for a person located within any Excluded Territory (except as otherwise agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) he or she is not acquiring any New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares into any of the above territories.

6.6 **Waiver**

The provisions of this paragraph 6 and of any other terms of the Open Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company and/or Liberum in their absolute discretion. Subject to this, the provisions of this paragraph 6 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 6 to Shareholders shall include references to the person or persons executing an Open Offer Application Form and, in the event of more than one person executing an Open Offer Application Form, the provisions of this paragraph 6 shall apply to them jointly and to each of them.

7. **No withdrawal rights**

An application under the Open Offer once made is irrevocable and cannot be withdrawn or changed.

8. **Admission, settlement and dealings**

The result of the Issue is expected to be announced on 4 December 2020. Applications will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the AIM market of the London Stock Exchange. It is expected that Admission will become effective, and that dealings in the New Ordinary Shares will commence, at 8.00 a.m. on 7 December 2020.

Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 2 December 2020 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, New Ordinary Shares will be issued in uncertificated form to those persons who submitted a valid application for New Ordinary Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. The Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to New Ordinary Shares with effect from Admission (expected to be at 8.00 a.m. on 7 December 2020). The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Open Offer Application Form instead of crediting the relevant stock account with Open Offer Entitlements, and to allot and/or issue any New Ordinary Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

For Qualifying non-CREST Shareholders who have applied by using an Open Offer Application Form, share certificates in respect of the New Ordinary Shares validly applied for are expected to be despatched in the week commencing 14 December 2020. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers will be certified against the UK share register of the Company. All documents or remittances sent by or to applicants or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Qualifying non-CREST Shareholders are referred to paragraph 4.1 above and their respective Open Offer Application Form.

9. **Times and dates**

The Company shall, in agreement with Liberum and after consultation with its financial and legal advisers, be entitled to amend the dates that Open Offer Application Forms are despatched or amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this document and in such circumstances shall notify the FCA and make an announcement on an RIS and, if appropriate, to Shareholders but Qualifying Shareholders may not receive any further written communication.

10. Taxation

Certain statements regarding United Kingdom taxation in respect of the New Ordinary Shares and the Open Offer are set out in Part 6 of this document. Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer or who are subject to tax in any jurisdiction other than the United Kingdom, should immediately consult a suitable professional adviser.

11. Further information

Your attention is drawn to the further information set out in this document and also, in the case of Qualifying non-CREST Shareholders and other Shareholders to whom the Company has sent Open Offer Application Forms, to the terms, conditions and other information printed on the accompanying Open Offer Application Form.

12. Governing law and jurisdiction

The terms and conditions of the Open Offer as set out in this document, the Open Offer Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, English law. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document or the Open Offer Application Form. By taking up New Ordinary Shares by way of their Open Offer Entitlement, in accordance with the instructions set out in this document and, where applicable, the Open Offer Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART 9

DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires;

2020 Final Capital Entitlement	141.152 pence
2022 Final Capital Entitlement	164.64 pence
Admission	means admission of the New Ordinary Shares to be issued pursuant to the Issue to trading on the AIM market of the London Stock Exchange
AIM	the AIM market operated by the London Stock Exchange
AIM Rules	the rules of AIM as set out in the publication entitled "AIM Rules for Companies" published by the London Stock Exchange from time to time
Articles	the articles of incorporation of the Company, as amended from time to time
Bond Issue	the proposed issue of New Bonds as described in paragraph 8 of Part 1 of this document
Business Day	a day which is not a Saturday, a Sunday, Christmas Day or Good Friday or a day appointed as a public holiday in Guernsey and on which the London Stock Exchange is open for trading
Business Restructuring	the proposed business restructuring of the Group, conditional upon Shareholder approval of the Proposals, and described in paragraph 5 of Part 1 of this document
Class Meetings	the ZDP Class Meeting and the Ordinary Class Meeting
Company	GLI Finance Limited, a non-cellular company limited by shares incorporated in Guernsey with registered number 43260, and having its registered office at Block C, Hirzel Court, Hirzel Street, St Peter Port, Guernsey GY1 2NL, Channel Islands
Concert Party	Somerston Fintech, Golf, Lexo Investments Limited, Neslo and La Hauteur Investments Limited
Cover Test	has the meaning set out in paragraph (f) of Part 3 of this document
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities, operated by Euroclear
CREST Manual	the compendium of documents entitled "CREST Manual" issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, the CREST Rules (including CREST Rule 8), the CCSS Operations Manual and the CREST Glossary of Terms
CREST member	a person who has been admitted by Euroclear as a member (as defined in the CREST Regulations)
CREST participant	a person who is, in relation to CREST, a participant (as defined in the CREST Regulations)

CREST Regulations	The Uncertificated Securities (Guernsey) Regulations 2009)
CREST sponsor	a CREST participant admitted to CREST as a CREST sponsor
CREST sponsored member	a CREST member admitted to CREST as a sponsored member
CRS	the OECD's Common Reporting Standard
Directors or Board	the board of directors of the Company
Enlarged Share Capital	means the issued Ordinary Share capital of the Company immediately following Admission
Euroclear	Euroclear UK & Ireland Limited in its capacity as the operator of CREST
Excess Application Facility	means the arrangements pursuant to which Qualifying Shareholders may apply for Excess New Shares in excess of their Open Offer Entitlements in accordance with the terms and conditions of the Open Offer
Excess CREST Open Offer Entitlements	in respect of each Qualifying CREST Shareholder, the entitlement set out in this document (in addition to its Open Offer Entitlement) to apply for Excess New Shares, credited to its stock account in CREST pursuant to the Excess Application Facility, which is conditional upon such Qualifying CREST Shareholder agreeing to take up its Open Offer Entitlement in full
Excess New Shares	means such number of New Ordinary Shares as may be allocated to the Excess Application Facility (as determined by Liberum and the Company) that have not been taken up by Qualifying Shareholders pursuant to their Open Offer Entitlements
Excluded Territories	means Australia, Canada, Japan, South Africa, the United States and any other jurisdiction where the availability of the Issue would breach any applicable law
Existing Articles	the Articles in force as at the date of this document
Existing Bonds	the 7 per cent. 2021 unsecured bonds issued by the Company
Existing Ordinary Shares	the 312,065,699 ordinary shares in the Company of no par value in issue at the date of this document
Extraordinary General Meeting or EGM	the extraordinary general meeting of the Company convened for 4 December 2020, commencing at 10.20 a.m. (or as soon thereafter as the Ordinary Class Meeting concludes or is adjourned), notice of which is set out in Part 10 of this document, or any adjournment thereof
FATCA	the U.S. Foreign Account Tax Compliance Act of 2010, as amended
Final Capital Entitlement	the amount per ZDP Share to which a ZDP Shareholder will be entitled on the relevant repayment date of the ZDP Shares, being, as the context requires, either the 2020 Final Capital Entitlement or the 2022 Final Capital Entitlement
FinTech Ventures	FinTech Ventures Limited, a member of the Group
Firm Placee	Somerston Fintech Limited
Firm Placing	means the placing of the Firm Placing Shares at the Issue Price to the Firm Placee as described in Part 2 of this document

Firm Placing Shares	the 77,777,778 Ordinary Shares to be issued by the Company under the Firm Placing
FSMA	the Financial Services and Markets Act 2000 (as amended)
Golf	Golf Investments Limited, a subsidiary of Somerston Fintech and a member of the Somerston Group
Gross Issue Proceeds	means the gross proceeds of the Issue
Group	the Company and its subsidiaries from time to time
HIT Facility	has the meaning set out on page 9 of this document
HIT Facility Renegotiation	has the meaning set out on page 21 of this document
HMRC	HM Revenue & Customs
Honeycomb Investment Trust	Honeycomb Investment Trust plc
Independent Directors	the Directors other than Nicholas Wakefield
Independent Shareholders	shareholders who are independent of a person who would otherwise be required to make a Rule 9 Offer and any person acting in concert with him or her (as defined by the Takeover Code) which, for the purposes of the Panel Waiver, does not include members of the Concert Party
ISA	an individual savings account maintained in accordance with the ISA Regulations
ISA Regulations	the Individual Savings Account Regulations 1998, as amended or replaced from time to time
Issue	means the issue of up to a maximum of 177,777,778 New Ordinary Shares pursuant to the Firm Placing and the Open Offer
Issue Price	2.25 pence per New Ordinary Share
Issue Resolution	Resolution 2 to be proposed at the Extraordinary General Meeting to disapply pre-emption rights in respect of the Issue and the issue of the Warrants
Liberum	Liberum Capital Limited
Link Group	a trading name of Link Market Services Limited
London Stock Exchange	London Stock Exchange Plc
Meetings	the ZDP Class Meeting, the Ordinary Class Meeting and the Extraordinary General Meeting (or any of them as the context may require)
Neslo	Neslo Partners No. 2 Limited
New Articles	the new Articles to be adopted (subject to Shareholder approval at the Meetings) in connection with the Proposals, with effect from the passing of Resolution 3 to be proposed at the Extraordinary General Meeting
New Bonds	the 7 per cent. unsecured bonds to be issued by the Company as part of the Proposals
New Ordinary Shares	the new Ordinary Shares to be issued by the Company pursuant to the Issue

Non-CREST Shareholders	means Shareholders holding Ordinary Shares in certificated form
OECD	the Organisation for Economic Co-operation and Development
Open Offer	means the offer to Qualifying Shareholders, constituting an invitation to apply for New Ordinary Shares, on the terms and subject to the conditions set out in Part 8 of this document and, in the case of Non-CREST Shareholders, the Open Offer Application Form
Open Offer Application Form	means the application form on which Non-CREST Shareholders who are registered on the Register as at the Record Date may apply for New Ordinary Shares under the Open Offer
Open Offer Entitlement	means the entitlement of Qualifying Shareholders to apply for New Ordinary Shares pursuant to the Open Offer on the basis of 1,583 New Ordinary Shares for every 4,940 Existing Ordinary Shares held and registered in their names as at the Record Date
Open Offer Shares	the 100,000,000 New Ordinary Shares being made available to Qualifying Shareholders pursuant to the Open Offer
Ordinary Class Meeting	the class meeting of Ordinary Shareholders convened for 4 December 2020, commencing at 10.10 a.m. (or as soon thereafter as the ZDP Class Meeting concludes or is adjourned), notice of which is set out in Part 10 of this document, or any adjournment thereof
Ordinary Shareholder	a holder of Ordinary Shares
Ordinary Shares	the ordinary shares of no par value in the capital of the Company
Overseas Shareholders	means Shareholders with registered addresses outside the United Kingdom or who are citizens or residents of countries outside the United Kingdom
Panel	The Panel on Takeovers and Mergers
Panel Waiver	the waiver granted by the Panel (conditional on the approval of the Waiver Resolution by the Independent Shareholders) of the obligation that would otherwise arise for the Concert Party to make a Rule 9 Offer under the Takeover Code as a consequence of the allotment and issue to it (or members of it) of the Firm Placing Shares, the Open Offer Shares or the New Ordinary Shares issued upon exercise of the Warrants
Placing and Open Offer Agreement	the placing and open offer agreement dated 17 November 2020 between the Company and Liberum
Proposals	the proposals for the Firm Placing, Open Offer, Bond Issue, Warrant Issue, ZDP Continuation and Business Restructuring, as described in Part 1 of this document
Prospectus Regulation Rules	the rules and regulations made by the FCA under Part VI of FSMA
Qualifying CREST Shareholders	Qualifying Shareholders whose Existing Ordinary Shares are in uncertificated form
Qualifying non-CREST Shareholders	Qualifying Shareholders whose Existing Ordinary Shares are in certificated form

Qualifying Shareholders	means holders of Existing Ordinary Shares on the Register on the Record Date (other than certain Overseas Shareholders as described in Part 8 of this document)
Receiving Agent	Link Group
Record Date	means close of business on 13 November 2020
Register	the register of members of the Company
Registrar	Link Group
Relationship Agreement	the relationship agreement dated 17 November 2020 between the Company and Somerston Fintech
Resolutions	the resolutions to be proposed for approval by Shareholders at the Meetings, or any of them as the context requires, as described at paragraph 17 of Part 1 of this document
Rule 9 Offer	a general offer under Rule 9 of the Takeover Code
Sancus BMS Group	Sancus BMS Group Limited and its subsidiaries, members of the Group
Share	a ZDP Share or an Ordinary Share, as the context requires
Shareholder	a holder of Shares
Somerston Fintech	Somerston Fintech Limited, a member of the Somerston Group
Somerston Group	the Somerston group of companies comprising Somerston Group Limited together with its subsidiary companies including Somerston Fintech and Golf
Takeover Code	the City Code on Takeovers and Mergers
Tender Offer	the proposed Tender Offer for ZDP Shares expected to be made by the Company to the ZDP Shareholders by 31 March 2021, as further described at paragraph 7 of Part 1 of this document
UK	the United Kingdom
UK Companies Act	the Companies Act 2006 of the UK
US Investment Company Act	US Investment Company Act of 1940, as amended
US Person	any person who is a US person within the meaning of Regulation S adopted under the US Securities Act
US Securities Act	US Securities Act of 1933, as amended
Waiver Resolution	the ordinary resolution of the Independent Shareholders to approve the Panel Waiver, to be proposed on a poll at the EGM and set out as Resolution 1 in the notice of the EGM set out in Part 10 of this document
Warrant Instrument	the warrant instrument of the Company dated the date of this document and constituting the Warrants
Warrant Issue	the proposed issue of Warrants in connection with the Bond Issue

Warrants	the warrants constituted by the Warrant Instrument and to be issued, subject to the approval of Ordinary Shareholders, to investors in the Bond Issue and which entitle the holders to subscribe for up to 183,691,304 new Ordinary Shares at a subscription price of 2.25 pence per Ordinary Share
ZDP Class Meeting	the class meeting of ZDP Shareholders convened for 4 December 2020, commencing at 10.00 a.m., notice of which is set out in Part 10 of this document, or any adjournment thereof
ZDP Continuation	the adoption of the New Articles which will extend the term of the ZDP Shares to 5 December 2022 and provide for a 2022 Final Capital Entitlement of 164.64 pence per ZDP Share
ZDP Continuation Resolution	Resolution 3 to be proposed at the Extraordinary General Meeting to adopt the New Articles
ZDP Maturity Date	the maturity date of the ZDP Shares (i.e. the date on which the Final Capital Entitlement is payable to ZDP Shareholders), being 5 December 2020 under the Existing Articles or, if Shareholders vote in favour of the ZDP Continuation, 5 December 2022 under the New Articles
ZDP Shareholder	a holder of ZDP Shares
ZDP Shares	the redeemable zero dividend preference shares of no par value in the capital of the Company

PART 10

NOTICES OF CLASS MEETINGS AND EXTRAORDINARY GENERAL MEETING

GLI FINANCE LIMITED

(a non-cellular company limited by shares incorporated in Guernsey with registered number 43260)

NOTICE OF CLASS MEETING OF ZERO DIVIDEND PREFERENCE SHAREHOLDERS

Notice is hereby given that a separate class meeting of the holders of zero dividend preference shares of no par value (“**ZDP Shares**”) in GLI Finance Limited (the “**Company**”) will be held at the Company’s registered office, Block C, Hirzel Court, Hirzel Street, St Peter Port, Guernsey GY1 2NL, Channel Islands on 4 December 2020 at 10.00 a.m. (and if a quorum is not present within 30 minutes of the time appointed for this meeting, this meeting will stand adjourned to 10.30 a.m. on 4 December 2020 at the same place, at which time those ZDP Shareholders present in person or by proxy shall constitute a quorum) to consider and, if thought fit, pass the following resolution which will be proposed as a special resolution:

SPECIAL RESOLUTION

That the holders of ZDP Shares hereby sanction and consent to:

- 1.1 the passing and carrying into effect, as a special resolution of the Company, of resolution 3 contained in the notice of extraordinary general meeting of the Company dated 17 November 2020; and
- 1.2 any variation or abrogation and/or deemed variation or abrogation of the rights attached to the ZDP Shares which will, or may, result from the passing and carrying into effect of the resolution referred to in the foregoing sub-paragraph of this resolution and/or the implementation of the Proposals (as defined in the circular to Shareholders of the Company dated 17 November 2020).

By order of the board

Praxis Fund Services Limited

Company Secretary

17 November 2020

Notes

- 1 A member entitled to attend and to speak and vote at the meeting is entitled to appoint one or more proxies to speak and vote instead of them. A proxy need not be a member of the Company. Completion and return of the ZDP Class Meeting Form of Proxy will not preclude members from attending or voting at the meeting, if they so wish.
- 2 More than one proxy may be appointed provided each proxy is appointed to exercise the rights attached to different shares.
- 3 To be valid the ZDP Class Meeting Form of Proxy, together with the power of attorney or other authority, if any, under which it is executed (or a notarially certified copy of such power of authority) must be deposited with the Registrar, Link Group, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom not less than 48 hours before the time for holding the meeting. A ZDP Class Meeting Form of Proxy is enclosed with this notice.
- 4 You can submit your proxy vote electronically by accessing the shareholder portal at www.signalshares.com, logging in and selecting the ‘Vote Online Now’ link. You will require your username and password in order to log in and vote. If you have forgotten your username or password, you can request a reminder via the shareholder portal. If you have not previously registered to use the portal you will require your investor code (“**IVC**”) which can be found on your share certificate. To be effective, the proxy vote must be submitted at www.signalshares.com so as to have been received by the Company’s Registrars not less than 48 hours (excluding weekends and public holidays) before the time appointed for the meeting or any adjournment of it. By registering on the Signal shares portal at www.signalshares.com, you can manage your shareholding, including:
 - cast your vote
 - change your dividend payment instruction
 - update your address
 - select your communication preference

Any power of attorney or other authority under which the proxy is submitted must be returned to the Company's Registrars, Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF.

- 5 If you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual (available via www.euroclear.com/CREST) subject to the provisions of the Company's articles of incorporation. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK and Ireland specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: RA10) by 10.00 a.m. 2 December 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK and Ireland does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction.
- 6 All persons recorded on the register of members as holding ZDP Shares in the Company as at 10.00 a.m. on 2 December 2020 shall be entitled to attend, speak and vote (either in person or by proxy) at the meeting and shall be entitled to one vote per share held.
- 7 The quorum for the ZDP Class Meeting is two persons present in person or by proxy and holding at least one third of the issued ZDP Shares at the date of such meeting. If the meeting is not quorate, it will be adjourned to the same place at the time indicated above, whereupon one person holding ZDP Shares and present in person or by proxy shall form the quorum.
- 8 Where there are joint registered holders of any ZDP Shares, such persons shall not have the right of voting individually in respect of such shares but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election, the person whose name stands first on the register of ZDP Shareholders shall alone be entitled to vote.
- 9 On a poll, votes may be given either personally or by proxy and a holder of ZDP Shares entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- 10 Any corporation which is a member may by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at this meeting. Any person so authorised shall be entitled to exercise on behalf of the corporation which he represents the same powers (other than to appoint a proxy) as the corporation could exercise if it were an individual member of the Company.
- 11 Pursuant to the Articles, every member (being an individual) present in person or by proxy or (being a corporation) present by a duly authorised representative shall have one vote on a show of hands, subject to any special voting powers or restrictions, and one vote per ZDP Share on a poll (other than the Company itself where it holds its own shares as treasury shares), subject to any special voting powers or restrictions.
- 12 As at 16 November 2020 (being the last practicable date prior to the publication of this Notice) the total number of votes exercisable by holders of ZDP Shares was 8,782,388.
- 13 Capitalised terms used in this Notice of ZDP Class Meeting but not defined shall bear the same meanings as set out in the circular to Shareholders of the Company dated 17 November 2020.

GLI FINANCE LIMITED

(a non-cellular company limited by shares incorporated in Guernsey with registered number 43260)

NOTICE OF CLASS MEETING OF ORDINARY SHAREHOLDERS

Notice is hereby given that a separate class meeting of the holders of ordinary shares of no par value (“**Ordinary Shares**”) in GLI Finance Limited (the “**Company**”) will be held at the Company’s registered office, Block C, Hirzel Court, Hirzel Street, St Peter Port, Guernsey GY1 2NL, Channel Islands on 4 December 2020 at 10.10 a.m. (or as soon thereafter as the class meeting of holders of zero dividend preference shares in the capital of the Company convened for the same place and date shall have been concluded or adjourned, and if a quorum is not present within 30 minutes of the time appointed for this meeting, this meeting will stand adjourned to 10.40 a.m. on 4 December 2020 at the same place, at which time those Ordinary Shareholders present in person or by proxy shall constitute a quorum) to consider and, if thought fit, pass the following resolution which will be proposed as a special resolution:

SPECIAL RESOLUTION

That the holders of Ordinary Shares hereby sanction and consent to:

- 1.1 the passing and carrying into effect, as a special resolution of the Company, of resolution 3 contained in the notice of extraordinary general meeting of the Company dated 17 November 2020; and
- 1.2 any variation or abrogation and/or deemed variation or abrogation of the rights attached to the Ordinary Shares which will, or may, result from the passing and carrying into effect of the resolution referred to in the foregoing sub-paragraph of this resolution and/or the implementation of the Proposals (as defined in the circular to Shareholders of the Company dated 17 November 2020).

By order of the board

Praxis Fund Services Limited

Company Secretary

17 November 2020

Notes:

- 1 A member entitled to attend and to speak and vote at the meeting is entitled to appoint one or more proxies to speak and vote instead of them. A proxy need not be a member of the Company. Completion and return of the Ordinary Class Meeting Form of Proxy will not preclude members from attending or voting at the meeting, if they so wish.
- 2 More than one proxy may be appointed provided each proxy is appointed to exercise the rights attached to different shares.
- 3 To be valid the Ordinary Class Meeting Form of Proxy, together with the power of attorney or other authority, if any, under which it is executed (or a notarially certified copy of such power of authority) must be deposited with the Registrar, Link Group, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom not less than 48 hours before the time for holding the meeting. An Ordinary Class Meeting Form of Proxy is enclosed with this notice.
- 4 You can submit your proxy vote electronically by accessing the shareholder portal at www.signalshares.com, logging in and selecting the ‘Vote Online Now’ link. You will require your username and password in order to log in and vote. If you have forgotten your username or password, you can request a reminder via the shareholder portal. If you have not previously registered to use the portal you will require your investor code (“**IVC**”) which can be found on your share certificate. To be effective, the proxy vote must be submitted at www.signalshares.com so as to have been received by the Company’s Registrars not less than 48 hours (excluding weekends and public holidays) before the time appointed for the meeting or any adjournment of it. By registering on the Signal shares portal at www.signalshares.com, you can manage your shareholding, including:
 - cast your vote
 - change your dividend payment instruction
 - update your address
 - select your communication preference

Any power of attorney or other authority under which the proxy is submitted must be returned to the Company’s Registrars, Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF.

- 5 If you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual (available via www.euroclear.com/CREST) subject to the provisions of the Company's articles of incorporation. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK and Ireland specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: RA10) by 10.10 a.m. 2 December 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK and Ireland does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction.
- 6 All persons recorded on the register of members as holding Ordinary Shares in the Company as at 10.10 a.m. on 2 December 2020 shall be entitled to attend and vote (either in person or by proxy) at the meeting and shall be entitled to one vote per share held.
- 7 The quorum for the Ordinary Class Meeting is two persons present in person or by proxy and holding at least one third of the issued Ordinary Shares at the date of such meeting. If the meeting is not quorate, it will be adjourned to the same place at the time indicated above, whereupon one person holding Ordinary Shares and present in person or by proxy shall form the quorum.
- 8 Where there are joint registered holders of any Ordinary Shares, such persons shall not have the right of voting individually in respect of such shares but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election, the person whose name stands first on the register of Ordinary Shareholders shall alone be entitled to vote.
- 9 On a poll, votes may be given either personally or by proxy and a holder of Ordinary Shares entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- 10 Any corporation which is a member may by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at this meeting. Any person so authorised shall be entitled to exercise on behalf of the corporation which he represents the same powers (other than to appoint a proxy) as the corporation could exercise if it were an individual member of the Company.
- 11 Pursuant to the Articles, every member (being an individual) present in person or by proxy or (being a corporation) present by a duly authorised representative shall have one vote on a show of hands, subject to any special voting powers or restrictions, and one vote per Ordinary Share on a poll (other than the Company itself where it holds its own shares as treasury shares), subject to any special voting powers or restrictions.
- 12 As at 16 November 2020 (being the last practicable date prior to the publication of this Notice) the total number of votes exercisable by holders of Ordinary Shares was 312,065,699.
- 13 Capitalised terms used in this Notice of Ordinary Class Meeting but not defined shall bear the same meanings as set out in the circular to Shareholders of the Company dated 17 November 2020.

GLI FINANCE LIMITED

(a non-cellular company limited by shares incorporated in Guernsey with registered number 43260)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting of GLI Finance Limited (the “**Company**”) will be held at the Company’s registered office, Block C, Hirzel Court, Hirzel Street, St Peter Port, Guernsey GY1 2NL, Channel Islands on 4 December 2020 at 10.20 a.m. (or as soon thereafter as the class meeting of holders of ordinary shares of the Company convened for the same place and date shall have been concluded or adjourned, and if a quorum is not present within 30 minutes of the time appointed for this meeting, this meeting will stand adjourned to 10.50 a.m. on 4 December 2020 at the same place, at which time those Shareholders present in person or by proxy shall constitute a quorum) for the purpose of considering and, if thought fit, passing the following resolutions, which will be proposed as special resolutions:

ORDINARY RESOLUTION

1. **That**, subject to and conditional on the passing of resolution 2, the waiver granted by the Panel on Takeovers and Mergers as described in the circular issued by the Company to its shareholders on 17 November 2020 which contains this notice of meeting (the “**Circular**” and each defined term used in this Resolution having the meaning given to it in the Circular), of any requirement under Rule 9 of the City Code on Takeovers and Mergers on the Concert Party to make a general offer to the shareholders of the Company as a result of the participation of the Concert Party in the Firm Placing, the participation of the Concert Party in the Open Offer and the issue of the New Ordinary Shares the subject of the Warrants be and is hereby approved.

SPECIAL RESOLUTIONS

2. **That**, subject to the passing of the foregoing resolution, in addition to any existing authorities, pursuant to article 8.7 of the Company’s articles of incorporation (the “**Articles**”), the provisions of article 8.2 of the Articles shall not apply and shall be excluded in relation to the issue of (a) up to an aggregate of 177,777,778 Ordinary Shares pursuant to the Issue, and (b) warrants entitling the holder(s) to subscribe for up to 183,691,304 new Ordinary Shares, in each case as defined and described in the Circular, provided that such disapplication and exclusion shall expire on the fifth anniversary of the passing of this resolution, save that the Company may before such expiry make an offer or agreement which would or might require Ordinary Shares to be allotted after such expiry and the Directors may allot Ordinary Shares in pursuance of such an offer or agreement as if the disapplication and exclusion conferred hereby had not expired.
3. **That**, subject to the passing of the foregoing resolutions and to the passing at separate class meetings of holders of zero dividend preference shares and ordinary shares of the Company convened for 4 December 2020 (or any adjournments thereof) (the “**Class Meetings**”) of the resolution contained in the notice of each Class Meeting respectively, and to completion of the Issue, the draft articles of incorporation produced to the meeting and initialled by the Chairman for the purposes of identification be adopted as the articles of incorporation of the Company in substitution for and the exclusion of the existing articles of incorporation of the Company.

By order of the board

Praxis Fund Services Limited

Company Secretary

17 November 2020

Notes:

- 1 A member entitled to attend and to speak and vote at the meeting is entitled to appoint one or more proxies to speak and vote instead of them. A proxy need not be a member of the Company. Completion and return of the Form of Proxy will not preclude members from attending or voting at the meeting, if they so wish.
 - 2 More than one proxy may be appointed provided each proxy is appointed to exercise the rights attached to different shares.
 - 3 To be valid the Form of Proxy, together with the power of attorney or other authority, if any, under which it is executed (or a notarially certified copy of such power of authority) must be deposited with the Registrar, Link Group, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom not less than 48 hours before the time for holding the meeting. A Form of Proxy is enclosed with this Notice.
 - 4 You can submit your proxy vote electronically by accessing the shareholder portal at www.signalshares.com, logging in and selecting the 'Vote Online Now' link. You will require your username and password in order to log in and vote. If you have forgotten your username or password, you can request a reminder via the shareholder portal. If you have not previously registered to use the portal you will require your investor code ("IVC") which can be found on your share certificate. To be effective, the proxy vote must be submitted at www.signalshares.com so as to have been received by the Company's Registrars not less than 48 hours (excluding weekends and public holidays) before the time appointed for the meeting or any adjournment of it. By registering on the Signal shares portal at www.signalshares.com, you can manage your shareholding, including:
 - cast your vote
 - change your dividend payment instruction
 - update your address
 - select your communication preference
- Any power of attorney or other authority under which the proxy is submitted must be returned to the Company's Registrars, Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF.
- 5 If you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual (available via www.euroclear.com/CREST) subject to the provisions of the Company's articles of incorporation. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK and Ireland specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: RA10) by 10.20 a.m. 2 December 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK and Ireland does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction.
 - 6 All persons recorded on the register of members as holding Ordinary Shares or ZDP Shares in the Company as 10.20 a.m. on 2 December 2020 shall be entitled to attend and vote (either in person or by proxy) at the meeting and shall be entitled to one vote per share held.
 - 7 The quorum for the Extraordinary General Meeting is two members present in person or by proxy and holding 5 per cent. or more of the voting rights available at such meeting. If the meeting is not quorate, it will be adjourned to the same place at the time indicated above, whereupon such member or members who shall attend in person or by proxy at any such adjourned meeting shall form the quorum.
 - 8 Where there are joint registered holders of any shares such persons shall not have the right of voting individually in respect of such shares but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such elections, the person whose name stands first on the register of Shareholders shall alone be entitled to vote.
 - 9 On a poll, votes may be given either personally or by proxy and a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
 - 10 Any corporation which is a member may by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at this meeting. Any person so authorised shall be entitled to exercise on behalf of the

corporation which he represents the same powers (other than to appoint a proxy) as the corporation could exercise if it were an individual member of the Company.

- 11 Pursuant to the Articles, every member (being an individual) present in person or by proxy or (being a corporation) present by a duly authorised representative shall have one vote on a show of hands, subject to any special voting powers or restrictions, and one vote per Share on a poll (other than the Company itself where it holds its own shares as treasury shares), subject to any special voting powers or restrictions.
- 12 Resolution 1 is an ordinary resolution which is subject to the approval of the Independent Shareholders (as defined in the Circular) on a poll and each Independent Shareholder will be entitled to one vote for each ordinary share held. Those Shareholders who are not Independent Shareholders will not vote on the resolution and each has undertaken to the Company not to vote on Resolution 1.
- 13 **Ordinary Shareholders and ZDP Shareholders are entitled to vote (together) in respect of Resolution 3 to be proposed at the Extraordinary General Meeting.**
- 14 As at 16 November 2020 (being the last practicable date prior to the publication of this Notice) the total number of votes exercisable by holders of Ordinary Shares was 312,065,699 and the total number of votes exercisable by holders of ZDP Shares was 8,782,388.
- 15 Capitalised terms used in this Notice of Extraordinary General Meeting but not defined shall bear the same meanings as set out in the circular to Shareholders of the Company dated 17 November 2020.

