

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Existing Ordinary Shares held in certificated form prior to the Ex-entitlement Date, please send this document but not the accompanying personalised Form of Proxy and, if relevant, the Application Form as soon as possible to the purchaser or transferee, or the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, this document and any accompanying documents should not be forwarded to, or transmitted in or into, any jurisdiction where to do so might violate the relevant laws and regulations in that jurisdiction. In particular, such documents should not be forwarded to, or transmitted in or into, the United States, Canada, Australia, the Republic of South Africa, New Zealand or Japan. If you have sold or otherwise transferred part only of your holding of Ordinary Shares, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

This document is not a prospectus for the purposes of the Prospectus Regulations and has not been approved by the UK Financial Conduct Authority (in its capacity as the UK Listing Authority or otherwise) pursuant to sections 85 and 87 of FSMA. In issuing this document the Company is relying on the exemption from issuing a prospectus in section 85(5) and paragraph 9 of Schedule 11A of FSMA and on paragraphs 43 and 60 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended). Applications in respect of the Open Offer from persons not falling within such exemptions will be rejected and the Open Offer contained in this document is not capable of acceptance by such persons. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

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, subject to the passing of the Resolutions, Admission will become effective and that dealings will commence in the Placing Shares and such number of Open Offer Shares as are subscribed for by 8.00 a.m. on 1 October 2021.

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 UK Listing Authority. 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 UK Listing Authority have examined or approved the contents of this document. This document does not constitute a recommendation regarding securities of the Company.

genedrive plc

(Incorporated and registered in England and Wales under the Companies Act 2006 with registered no. 06108621)

Placing of 24,000,000 New Ordinary Shares at 25 pence per share
Open Offer of up to 18,091,442 New Ordinary Shares at 25 pence per share
and Notice of General Meeting

PEEL HUNT

Peel Hunt LLP
Nominated Adviser & Joint Corporate Broker

finnCap

finnCap Limited
Joint Corporate Broker

This document should be read as a whole and in conjunction with the accompanying Form of Proxy and Notice of General Meeting. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below, to the section headed "Risk Factors" in Part III of this document and to the section headed "Questions and Answers about the Open Offer" in Part V of this document.

The latest time and date for acceptance and payment in full under the Open Offer is 11 a.m. on 28 September 2021. The procedure for application and payment for Qualifying Shareholders is set out in Part II of this document, and, where relevant, will be set out in the 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.

The New Ordinary Shares have not been, nor will be, registered under the US Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Australia, New Zealand, the Republic of South Africa or Japan. Shareholders outside the UK and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

Peel Hunt LLP, which is authorised and regulated in the UK by the Financial Conduct Authority, is acting exclusively for genedrive plc and for no one else in relation to the matters described in this document and will not be responsible to anyone other than genedrive plc for providing the protections afforded to customers of Peel Hunt LLP or for advising any other person on the contents of this document or any transaction or arrangement referred to herein. Peel Hunt LLP has not authorised the contents of, or any part of, this document for the purposes of FSMA and no liability whatsoever is accepted by Peel Hunt LLP for the accuracy of any information or opinions contained in this document or for the omission of any information. Peel Hunt LLP, as nominated adviser and joint broker to the Company, owes certain responsibilities to London Stock Exchange plc which are not owed to the Company or its Directors or any other person.

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Notice of the General Meeting of genedrive plc to be held at 11 a.m. on 30 September 2021 at 48 Grafton Street, Manchester M13 9XX is set out at the end of this document. To be valid, the Form of Proxy for use at the General Meeting, which accompanies this document, must be completed, signed and returned so as to be received by the Company's registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD by no later than 11 a.m. on 28 September 2021. The completion and return of the Form of Proxy will not prevent you from attending, speaking and voting at the General Meeting in person, if you so wish (and are so entitled). A summary of the action to be taken by Shareholders is set out in paragraph 7 of the letter from the Chairman of the Company included in Part I of this document and in the Notice of General Meeting.

Notwithstanding the recent relaxations in public health advice in relation to public gatherings in response to the COVID-19 outbreak, the Company strongly encourages all shareholders to submit their Form of Proxy, appointing the Chairman as proxy, rather than attend the meeting in person.

This document and, where applicable, the Application Form, does not constitute a prospectus, neither does it constitute an admission document drawn up in accordance with the AIM Rules nor does it constitute or form part of an offer or invitation to sell or issue or any solicitation of any offer to purchase or subscribe for any Shares or other securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia (the "United States" or "US")), Canada, Australia, New Zealand, the Republic of South Africa or Japan or in any jurisdiction to whom or in which such offer or solicitation is unlawful.

This document includes "forward looking statements" which include all statements other than statements of historical facts, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations, or any statements proceeded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or similar expressions or negatives thereof. Such forward looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. These forward looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

In accordance with the AIM Rules, this document will be available to Shareholders on the Company's website at www.genedriveplc.com from the date of this document, free of charge.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Placing and Open Offer	10 September 2021
Record Date for entitlement to participate in the Open Offer	6 p.m. on 10 September 2021
Despatch of the Circular, the Form of Proxy and, to certain Qualifying Non-CREST Shareholders, the Application Form	14 September 2021
Ex-entitlement Date for the Open Offer	8 a.m. on 14 September 2021
Basic Entitlements and Excess CREST Open Offer Entitlements credited to CREST stock accounts of Qualifying CREST Shareholders	As soon as possible after 8 a.m. on 15 September 2021
Recommended latest time and date for requesting withdrawal of Basic Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 22 September 2021
Latest time for depositing Basic Entitlements and Excess CREST Open Offer Entitlements into CREST	3 p.m. on 23 September 2021
Latest time and date for splitting Application Forms (to satisfy bona fide market claims only)	3 p.m. on 24 September 2021
Latest time and date for receipt of Forms of Proxy for the General Meeting	11 a.m. on 28 September 2021
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	11 a.m. on 28 September 2021
General Meeting	11 a.m. on 30 September 2021
Announcement of the result of the General Meeting	30 September 2021
Admission of the Placing Shares and such number of Open Offer Shares as are subscribed for to trading on AIM	8.00 a.m. on 1 October 2021
Placing Shares and such number of Open Offer Shares as are subscribed for expected to be credited to accounts in CREST (uncertificated holders only)	As soon as practicable after 8.00 a.m. on 1 October 2021
Expected date of despatch of definitive share certificates for the Placing Shares and such number of Open Offer Shares as are subscribed for in certificated form (certificated holders only)	By 8 October 2021

Notes:

- (1) The ability to participate in the Open Offer is subject to certain restrictions relating to Qualifying Shareholders with registered addresses or who are located or resident in countries outside the UK (particularly the Excluded Overseas Shareholders), details of which are set out in paragraph 6 of Part II of this document. Subject to certain exceptions, Application Forms will not be despatched to, and Open Offer Entitlements will not be credited to the stock accounts in CREST of, Shareholders with registered addresses in any of the Restricted Jurisdictions.
- (2) Each of the times and dates set out in the above timetable and mentioned in this document is subject to change by the Company (with the agreement of Peel Hunt and finnCap), in which event details of the new times and dates will be notified to the London Stock Exchange and the Company will make an appropriate announcement to a Regulatory Information Service.
- (3) References to times in this document are to London times unless otherwise stated.
- (4) Different deadlines and procedures for applications may apply in certain cases. For example, if you hold your Ordinary Shares through a CREST member or other nominee, that person may set an earlier date for application and payment than the dates noted above.
- (5) Assumes that the Resolutions that are set out in the Notice of General Meeting are passed.
- (6) If you require assistance, please contact Neville Registrars on 0121 585 1131 or +44 (0)121 585 1131 (if calling from outside the UK). 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 a.m. – 5 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

PLACING AND OPEN OFFER STATISTICS

Market price per Existing Ordinary Share ¹	41.75 pence
Issue Price per New Ordinary Share	25 pence
Discount to the market price of an Existing Ordinary Share ²	40.1%
Number of Ordinary Shares in issue as at the Latest Practicable Date	63,320,048
Number of New Ordinary Shares to be issued by the Company pursuant to the Placing	24,000,000
Percentage of Enlarged Share Capital represented by Placing Shares* ⁴	22.8%
Gross proceeds of the Placing receivable by the Company	£6 million
Entitlement of Qualifying Shareholders under the Open Offer	2 Open Offer Shares for every 7 Existing Ordinary Shares held
Maximum number of Open Offer Shares to be issued by the Company pursuant to the Open Offer	18,091,442
Maximum gross proceeds of the Open Offer receivable by the Company ³	approximately £4.5 million
Maximum number of Ordinary Shares in issue immediately following completion of the Placing and the Open Offer ⁴	105,411,490
Approximate market capitalisation at Admission at the Issue Price ⁴	£26.35 million
The New Ordinary Shares as a percentage of the Enlarged Share Capital ⁴	approximately 39.9%
TIDM	GDR
ISIN – Ordinary Shares	GB00B1VKB244
ISIN – Open Offer Basic Entitlements	GB00BNHXFW97
ISIN – Open Offer Excess Entitlements	GB00BNHXFS51
SEDOL	B1VKB24
LEI	213800ZYODIRZ87Y4K14

* Assumes that the Resolutions that are set out in the Notice of General Meeting are passed.

Notes:

- 1 Mid-Market Closing Price on AIM on the Latest Practicable Date.
- 2 Being the percentage discount which the Issue Price represents to the Mid-Market Closing Price on the Latest Practicable Date.
- 3 Assumes the maximum possible number of New Ordinary Shares under the Open Offer are allotted.
- 4 Assumes the maximum possible number of New Ordinary Shares under the Placing and the Open Offer are allotted.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Ian Gilham (Non-Executive Chairman) David Budd (Chief Executive Officer) Matthew Fowler (Chief Financial Officer) Tom Lindsay (Non-Executive Director) Chris Yates (Non-Executive Director) All of whose business address is 48 Grafton Street, Manchester, M13 9XX
Company Secretary	Matthew Fowler
Registered Office	48 Grafton Street Manchester M13 9XX
Company Website	www.genedriveplc.com
Telephone Number	+44 (0) 161 989 0245
Nominated Adviser, Joint Bookrunner and Joint Corporate Broker	Peel Hunt LLP 100 Liverpool Street London EC2M 2AT
Joint Bookrunner and Joint Corporate Broker	finnCap Ltd 1 Bartholomew Close London EC1A 7BL
Lawyers to the Company	Addleshaw Goddard LLP Cornerstone 107 West Regent Street Glasgow G2 2BA
Lawyers to the Nominated Adviser, Joint Bookrunner and Joint Corporate Broker	K&L Gates LLP One New Change London EC4M 9AF
Registrars	Neville Registrars Limited Neville House Steelpark Road Halesowen B62 8HD
Financial PR and Communications	Walbrook PR Limited 4 Lombard Street London EC3V 9HD

DEFINITIONS

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

“29.9% Aggregate Limit”	a restriction on any Shareholder acquiring any New Ordinary Shares pursuant to the Placing and/or the Open Offer which would, when aggregated with any existing interests in shares held by such Shareholder, result in such Shareholder holding an interest in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30% or more of the voting rights of the Company
“Act”	the Companies Act 2006, as amended
“Admission”	admission of the Placing Shares and such number of Open Offer Shares as are subscribed for to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	the market of that name operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies and/or the AIM Rules for Nominated Advisers (as the context may require)
“AIM Rules for Companies”	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
“AIM Rules for Nominated Advisers”	the rules of AIM as set out in the publication entitled “AIM Rules for Nominated Advisers” published by the London Stock Exchange from time to time
“Announcement”	the RIS announcement issued by the Company dated 10 September 2021 announcing the proposed Placing and the Open Offer
“Appendix”	the appendix to the Announcement setting out the terms and conditions of the Placing
“Application Form”	the application form accompanying this document to be used by Qualifying Non-CREST Shareholders in connection with the Open Offer
“Basic Entitlement”	the Open Offer Shares which a Qualifying Shareholder is entitled to subscribe for under the Open Offer calculated on the basis of 2 Open Offer Shares for every 7 Existing Ordinary Shares held by that Qualifying Shareholder as at the Record Date (subject to any adjustment required to remain within the Maximum Limit)
“Board” or “Directors”	the board of directors of the Company, whose names are listed on page 6 of this document
“Bookbuild”	the accelerated bookbuild process conducted in relation to the Placing which established the demand for and total number of Placing Shares to be issued pursuant to the Placing at the Issue Price
“Business Day”	any day (excluding Saturdays and Sundays and public holidays in England and Wales) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading

“certificated” or “in certificated form”	an Ordinary Share or other security recorded on a company’s share register as being held in certificated form (that is not in CREST)
“Circular” or “this document”	this circular of the Company giving (amongst other things) details of the Placing and the Open Offer and incorporating the Notice of General Meeting
“Closing Price”	the closing middle market quotation of an Ordinary Share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange
“Company” or “genedrive”	genedrive plc, a public limited company incorporated in England and Wales under registered number 06108621
“CREST”	the relevant system (as defined in the Regulations) which enables title to units of relevant securities (as defined in the Regulations) to be evidenced and transferred without a written instrument and in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
“CREST Manual”	the compendium of documents entitled “CREST Manual” published 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 CREST CCSS Operating Manual and the CREST Glossary of Terms
“CREST member”	a person who has been admitted to CREST as a system-member (as defined in the CREST Regulations)
“CREST participant”	a person who is, in relation to CREST, a system-participant (as defined in the CREST regulations)
“CREST Proxy Instruction”	the appropriate CREST message made to appoint a proxy, properly authenticated in accordance with Euroclear’s specifications
“CREST Regulations” or “Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended from time to time)
“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
“Enlarged Share Capital”	the entire issued share capital of the Company following Admission, assuming no other Ordinary Shares are issued between the date of this document and Admission and assuming 42,091,442 New Ordinary Shares are issued
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited, the Operator of CREST (as defined in CREST Regulations)
“Excess Applications”	applications pursuant to the Excess Application Facility
“Excess Application Facility”	the mechanism whereby a Qualifying Shareholder, who has taken up his Basic Entitlement in full, can apply for Excess Shares up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying Shareholder’s Basic Entitlement, subject always to the 29.9 per cent. Aggregate Limit, as more fully set out in Part II of this document

“Excess CREST Open Offer Entitlements”	in respect of each Qualifying CREST Shareholder who has taken up his Basic Entitlement in full, the entitlement to apply for Open Offer Shares in addition to his Basic Entitlement credited to his stock account in CREST, pursuant to the Excess Application Facility, which may be subject to scaling back in accordance with the provisions of this document
“Excess Open Offer Entitlement”	in respect of each Qualifying Shareholder, the entitlement (in addition to his Open Offer Entitlement) to apply for Open Offer Shares pursuant to the Excess Application Facility, which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document
“Excess Shares”	Open Offer Shares which are not taken up by Qualifying Shareholders pursuant to their Basic Entitlement and which are offered to Qualifying Shareholders under the Excess Application Facility
“Existing Issued Share Capital”	the entire Issued Share Capital of the Company on 10 September 2021 (the latest practicable date prior to publication of this document)
“Excluded Overseas Shareholders”	other than as agreed by the Company, Peel Hunt and finnCap or as permitted by applicable law, Shareholders who are located or have registered addresses in a Restricted Jurisdiction
“Executive Directors”	means David Budd and Matthew Fowler
“Existing Ordinary Shares”	the 63,320,048 Ordinary Shares of 1.5 pence each in the capital of the Company in issue on 13 September 2021, (the latest practicable date prior to publication of this document) all of which are admitted to trading on AIM
“FDA”	the US Food and Drug Administration
“finnCap”	finnCap Ltd, a company incorporated and registered in England with registered number 061998898 and having its registered office at 1 Bartholomew Close, London, EC1A 7BL
“Form of Proxy”	the form of proxy accompanying this Circular for use by Shareholders in relation to the General Meeting
“FSMA”	the Financial Services and Markets Act 2000, as amended
“Fundraising”	the Placing and the Open Offer
“General Meeting”	the general meeting of the Shareholders of the Company to be held at 11.00 am at 48 Grafton Street, Manchester M13 9XX on 30 September 2021, notice of which is set out at the end of this document
“Group”	the Company, its subsidiaries and subsidiary undertakings
“Issue Price”	25 pence per New Ordinary Share
“Latest Practicable Date”	means 5.00 p.m. on 9 September 2021
“London Stock Exchange”	London Stock Exchange plc
“Money Laundering Regulations”	The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended)

“New Ordinary Shares”	the Placing Shares and the Open Offer Shares to be issued by the Company pursuant to the Placing and the Open Offer
“Notice of General Meeting”	the notice of General Meeting set out at the end of this document
“Open Offer”	the conditional invitation by the Company to Qualifying Shareholders to apply to subscribe for Open Offer Shares at the Issue Price on the terms and subject to the conditions set out in this document and in the case of the Qualifying Non-CREST Shareholders only, the Application Form
“Open Offer Entitlements”	an entitlement to subscribe for Open Offer Shares, allocated to a Qualifying Shareholder under the Open Offer (and, for the avoidance of doubt, references to Open Offer Entitlements include Basic Entitlements and Excess Open Offer Entitlements)
“Open Offer Shares”	the up to 18,091,442 New Ordinary Shares to be offered to Qualifying Shareholders under the Open Offer
“Ordinary Shares”	ordinary shares of £0.015 each in the capital of the Company
“Overseas Shareholders”	Shareholders with registered addresses outside the UK or who are citizens of, incorporated in, registered in or otherwise resident in, countries outside the UK
“Participant ID”	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
“Peel Hunt”	Peel Hunt LLP, a Limited Liability Partnership incorporated and registered in England with No. OC357088 whose registered office is at 100 Liverpool Street, London EC2M 2AT
“Placee”	an eligible institutional investor procured by Peel Hunt or finnCap who has agreed to subscribe for Placing Shares in the Placing
“Placing”	the conditional placing by Peel Hunt and finnCap (on behalf of the Company) of the Placing Shares pursuant to the Placing and Open Offer Agreement
“Placing and Open Offer Agreement”	the conditional agreement dated 10 September 2021 relating to the Placing and Open Offer made between the Company, Peel Hunt and finnCap as described in paragraph 5 of Part 1 of this document
“Placing Shares”	the 24,000,000 New Ordinary Shares to be issued by the Company pursuant to the Placing
“POC”	point of care
“Prospectus Regulation”	the Regulation 2017/1129 of the European Parliament and the Council
“Qualifying CREST Shareholders”	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company on the Record Date are in uncertificated form
“Qualifying Non-CREST Shareholders”	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company on the Record Date are held in certificated form
“Qualifying Shareholders”	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date with the exception (subject to certain exceptions) of Excluded Overseas Shareholders

“Record Date”	6.00 p.m. on 10 September 2021
Registrars” or “Neville Registrars” or “Receiving Agent”	Neville Registrars Limited of Neville House, Steelpark Road, Halesowen, B62 8HD
“Regulatory Information Service” or “RIS”	has the meaning given in the AIM Rules for Companies
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting and “Resolution” shall be a reference to either one of them
“Restricted Jurisdictions”	each of the United States of America and each of Canada, Australia, New Zealand, the Republic of South Africa and Japan
“Shareholders”	the holders of Ordinary Shares for the time being, each individually a “Shareholder”
“Takeover Code”	the City Code on Takeovers and Mergers of the United Kingdom (as amended)
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“uncertificated” or “uncertificated form”	recorded on the register of members of the Company as being held in uncertificated form in CREST and, title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
“USE”	unmatched stock event
“VCT”	Venture Capital Trust
“WHO”	World Health Organisation

All references in this document to “£”, “pence” or “p” are to the lawful currency of the United Kingdom.

PART I

LETTER FROM THE CHAIRMAN OF GENEDRIVE PLC

genedrive plc

(Incorporated and registered in England and Wales with registered no. 06108621)

Directors

Ian Gilham (Non-Executive Chairman)
David Budd (Chief Executive Officer)
Matthew Fowler (Chief Financial Officer)
Tom Lindsay (Non-Executive Director)
Chris Yates (Non-Executive Director)

Registered Office
48 Grafton Street
Manchester
M13 9XX

To the holders of Ordinary Shares

14 September 2021

Dear Shareholder

Proposed Placing of 24,000,000 New Ordinary Shares, Open Offer of up to
18,091,442 New Ordinary Shares and Notice of General Meeting

1. Introduction

Placing and Open Offer

The Company announced on 10 September 2021 that it is proposing to undertake a Placing to raise £6 million (before expenses) together with an Open Offer to raise up to an aggregate of approximately £4.5 million (before fees and expenses), in each case through the issue of New Ordinary Shares at the Issue Price. Peel Hunt is acting as nominated adviser and joint bookrunner and joint broker in connection with the Placing and the Open Offer and finnCap is acting as joint bookrunner and joint broker in connection with the Placing and the Open Offer.

The Issue Price represents a discount of 40.1 per cent. to the Closing Price on the Latest Practicable Date. Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will occur on or around 1 October 2021. The Placing and the Open Offer are conditional, inter alia, on the passing of the Resolutions at the General Meeting. The Resolutions are contained in the Notice of General Meeting at Part VI of this document.

The purpose of this letter is to set out the background to, and the reasons for, the Placing and the Open Offer. It explains why the Directors consider the Placing and the Open Offer to be in the best interests of the Company and its Shareholders as a whole. The Board recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as the Directors who are interested in the Company's shares have irrevocably undertaken to do themselves in respect of their own beneficial shareholdings.

Shareholder approval is being sought in respect of the Placing and the Open Offer at the General Meeting which is convened for 11.00 a.m. on 30 September 2021 at 48 Grafton Street, Manchester M13 9XX.

Notwithstanding the recent relaxation in public health advice in relation to public gatherings in response to the COVID-19 outbreak, the Company strongly encourages all shareholders to submit their Form of Proxy, appointing the Chairman of the meeting as proxy, rather than attend the meeting in person. Only the formal business of the Resolutions will be carried out at the meeting and no update will be provided.

Your attention is drawn to:

- (a) paragraph 4 of Part II of this document which sets out the actions to be taken by Qualifying Shareholders seeking to participate in the Open Offer;

- (b) the section headed “Risk Factors” in Part III of this document;
- (c) the section headed “Taxation” in Part IV of this document;
- (d) the section headed “Questions and Answers about the Open Offer” in Part V of this document; and
- (e) the Notice of General Meeting contained in Part VI of this document and paragraph 6 of this letter which explain the purpose of the General Meeting and action to be taken by you in relation to the Notice of General Meeting.

2. Background to and reasons for the Fundraising

Background

genedrive is a commercial-stage molecular diagnostics business, which develops highly accurate molecular diagnostic assays for use on its Genedrive® point-of-need molecular diagnostic gene reader instrument. The Company has a range of launched and soon to be launched products in areas of significant unmet need. The Company has products on market in the areas of pathogen detection which have been designed in conjunction with the US Department of Defence, an HCV assay which is positioned to drive revenue growth once COVID becomes less of a priority in its target markets, and a high throughput 96 SARS-COV-2 test. The Company sees attractive short and long term revenue opportunities for its novel AIHL test for use in neonatal acute care settings which it is due to launch in October 2021 and also for the GDR COV POC, a point of care product with a number of performance differentiating features which is in the final stages of development and which the Company is also planning to launch in October 2021.

In the Company’s interim results issued in March 2021, the Company confirmed that its cash balances at 15 March 2021 were £2.8 million with approximately £1.0 million owing on the R&D tax credit. The cash burn rate at that time was around £0.4 million per month. The Company’s unaudited cash positions at 30 June 2021 and 20 August 2021 were £2.6 million and £1.9 million respectively indicating that the rate of cash burn indicated in the interim results has broadly been maintained. The Company therefore estimates that, excluding any net proceeds of the Fundraising (and on the same revenue assumptions as set out in the interim results), it has a cash runway of around four months as at the date of this document.

The Company’s Assays and Markets

Antibiotic-Induced Hearing Loss (AIHL)

Ototoxicity from antibiotics is a widely known issue with specific clinical guidance on genetic mutations and their role in hearing loss in newborns as a result of antibiotics. Around one in 500 infants carry a genetic mutation that puts them at risk of suffering lifelong profound hearing loss after exposure to gentamicin, a commonly used antibiotic. genedrive has developed what it believes to be the world’s first rapid point-of-care genetic test for neonatal intensive care and the Directors believe genedrive’s test could support a new standard of care for urgent case infants providing a test result in less than 30 minutes.

NHS clinicians initially approached genedrive to see if the Company would be able to develop a genetic test to rapidly identify the genetic mutation in certain newborns. The AIHL test was developed with £0.6 million of funding from The National Institute of Health Research, and trialled clinically in partnership with Manchester University NHS Foundation Trust in 2020. genedrive received a CE mark for the test in 2019 which has demonstrated high clinical accuracy with 100% sensitivity and 100% specificity. Trials in a number of NHS hospitals were completed in June 2021 (having experienced some delays due to the pandemic) with 750 babies participating in studies with a peer reviewed publication expected in the coming months. As announced on 31 August 2021, genedrive has also developed a new Genedrive® system to support the roll out of this test based on feedback received, with a CE mark for the new system expected to be received in October 2021. The Directors believe that the AIHL test has the potential to be written into standards of care in the UK which would be expected to drive adoption.

On 24 April 2020, genedrive announced that it had entered into a distribution agreement with Inspiration Healthcare Group plc (“IHC”) for the distribution of genedrive’s AIHL test in the UK and Ireland. The

Company will also be recruiting its own business development team of around two to three FTEs to work alongside IHC's own teams in the UK and Ireland. In addition, genedrive will also target territory expansion opportunities in the EU and other specific rest of world markets via a team of up to a further five FTEs. The US market is considered to have an attractive legal and clinical landscape for the Group's AIHL assay but any launch there would require FDA approval. FDA approval and US registration is not funded by the Placing however, should the Company raise a minimum of £8 million via the Placing and the Open Offer, the Company's intention would be to accelerate the commencement of US studies, and expects that £2 million would be the total cost for the FDA submission and approval process.

The Company is targeting an assay price of around £60 for the UK NHS market and is initially targeting three to five sites for the launch (study centres and close supporters). genedrive is expecting to achieve first sales in the UK in Autumn 2021. The Company also has an EU pilot site identified. Based on extrapolating population sizes and birth rate, the Company estimates that there are 180 sites it could target in the UK and a further 1,000 in Europe with around 100,000 and 550,000 infant intensive care admissions per annum in these regions respectively.

The Company estimates that the total addressable UK market is up to £5 million per annum with Europe potentially another £30 million per annum. The Directors believe that the UK and Europe presents an attractive market opportunity for the Company to target. The Company expects to pursue a direct distributor model alongside some investment in its own business development activities including a direct selling and support team of less than eight people which will be complimentary to IHC and help drive initial adoption.

In terms of the US opportunity, that market is estimated to have 900 sites and 500,000 infant intensive care admissions per annum and a market opportunity in excess of £20 million per annum.

Genedrive® COV19 ID Kit (GDR COV POC)

Despite vaccination programmes much of the world remains unvaccinated, and vaccination thresholds are well below herd immunity requirements in many parts of the world owing to vaccine hesitancy, duration of vaccine protection, and uneven vaccine roll-outs. Population lateral flow testing has not been widely adopted globally. While easy to use, lateral flow tests can have a low sensitivity in finding positive cases. Public Health England's evaluation of the Innova test showed that its sensitivity was 79.2% when used by trained laboratory scientists, 73% when used by trained healthcare staff, but only 57.5% when used by self-trained members of the public. Further, in relation to asymptomatic patients who the Directors believe generally have a viral load peak, on average, lower than the viral load peak of people with symptoms, the Directors believe that any test with a relatively low level of sensitivity could struggle to pick up asymptomatic infections on an "intolerable" number of occasions.

The Board of genedrive therefore believe there is a significant market opportunity for the GDR COV POC, which is a closed platform single patient point-of-care test that will run on the Genedrive® instrument. As noted in the announcement issued on 1 July 2021, the Genedrive® COV19-ID Kit detects the presence of SARS-CoV-2 virus in a nasal swab. The product has been designed to provide an ease of use appropriate for people inexperienced in molecular testing. Positive samples are detected as quickly as 10 minutes, with a negative result reported after 20 minutes if no signal is detected.

In contrast to some competitor products, the test targets two genes of the SARS-CoV-2 genome, and is shown to be inclusive of all current Variants of Concern (VoCs), including the Delta variant. The intent of a two-gene design is to provide additional robustness to new emerging VoCs in the future. The sensitivity and specificity of the test during design verification (30 positive and 30 negative contrived clinical samples) was 100%.

The testing procedure for GDR COV POC does not require extraction of the virus from the patient's sample. The Company has developed a proprietary lysis buffer that is used to resuspend patient swab material. The simple, 4-step workflow uses an 'eye-dropper' liquid transfer process familiar from lateral flow testing and makes the system appropriate for use by those without previous molecular experience and has a very similar workflow to lateral flow testing.

The Company anticipates the GDR COV POC will fulfil requirements of multiple markets, including confirmatory tests following a lateral flow, testing required for many travel destinations, and

occupational health tests in the return to work. All of these areas would benefit from the rapid results potentially offered by the GDR COV POC.

Full clinical validation on patient specimens is required for regulatory registration and/or other emergency listings. The Company is optimistic that this can be completed successfully and is targeting CE marking in October 2021, with prospective patient sample collection already underway. The Company is targeting initial product launch in Europe, through the use of commercial partners focused on service provision, rather than end users.

The Company believes that notwithstanding widely available lab based PCR, the Genedrive® COV19-ID Kit will be well placed to build an attractive market presence across a number of end markets where speed to result and its point of care nature will be key attributes. The Company expects demand will emerge in areas like urgent need to travel, work places with risk of transmission is high (e.g. care homes), elite sports, cruise ships and emergency care. genedrive believes it can achieve a transfer price of £20-30 per test and around £2,000 for the units.

The competitive landscape for Point of Care Covid 19 molecular products is varied, with UK and International companies releasing or developing products with a range of use cases. The sensitivity and specificity of molecular tests is generally superior to lateral flow antigen tests, and as such their use cases and price points are different. Molecular test offerings include large diagnostic companies such as Abbott, Roche and Thermo Fisher, through to a selection of UK private and quoted companies such as DNANudge and Novacyt. While specific performance features may be favoured in one application vs another, the Directors believe that the GDR COV POC's rapid time to result of 10-20 minutes, the multigene configuration of the test's formulation, temperature stable reagents, and an ease of workflow akin to lateral flow presents a competitive advantage.

Genedrive® 96 SARS CoV-2 Kit

genedrive additionally has the Genedrive® 96-SARS-CoV-2 Kit on market, which is an open platform laboratory based test, independent from the Company's core Genedrive® device. The Genedrive® 96-SARS-CoV-2 is a one-step "ready to go" polymerase chain reaction (PCR) test. It is a high volume laboratory assay compatible with multiple third party platforms. The Genedrive® 96 SARS-CoV2-Kit is a final format test, meaning that it only requires the addition of patient sample, and no other user preparation is required. The test can be transported globally without the need for refrigeration, allowing product distribution and use in a variety of different environments.

The initial product was CE marked in May 2020, developed in partnership with Cytiva using proprietary manufacturing processes, with excellent performance data shown in independent studies on 3rd party machines. The Company sought emergency use authorisation ("EUA") approval in the USA in summer 2020. However, with a large number of applications, approval is yet to be granted. As time has passed while waiting for approval, many labs have established testing processes making it difficult to convert to an unapproved Genedrive® test.

The Company has a distribution agreement with Beckman in the USA and EU however the lack of EUA has proven to be an insurmountable hurdle in the primary market, and levels of PCR testing have been declining in many key markets. genedrive also has distributors for the product in Africa, India and Asia. Total sales to 30 June 2021 were £0.3 million. The Company is aware that vaccine roll-out is reducing testing requirements of central labs especially in the US, but notes small pockets of demand still exist across various geographies, and screening opportunities may present over time. Finally, the European Ministry of Health opportunity potentially for low double digit millions of pounds sterling (which the Company first announced in November 2020) is considered to be increasingly less likely as time progresses, but still remains a live prospect as far as the Company is aware.

US Department of Defense (DoD)

genedrive was contracted by the United States Department of Defense (DoD) to develop Genedrive® as a portable bio-warfare testing system. The development contract has been worth approximately \$10.0 million to date and has included approximately 185 Genedrive® unit sales since 2014. The contract has now moved onto a conventional commercial phase, which sees the DoD purchasing the assays that have been developed.

In March 2021 genedrive appointed Mountain Horse Solutions (“MHS”) as a distributor in the US, to drive commercial opportunities and promote the capabilities of Genedrive®. MHS are specialists with existing procurement contracts to expedite US DoD procurement, and their leads and interactions are now needed following completion of the development phase. There is opportunity for approximately 500 fielding units over 3 years. The initial opportunity from March 2020 has been delayed owing to Covid-19 and is now around 18 months overdue, but genedrive expects clarity on this opportunity within the next 9 months.

Genedrive® HCV-ID Assay

According to a 2015 WHO report, an estimated 70 million people worldwide are infected with HCV and there are 1.75 million new HCV infections annually. HCV primarily affects the liver and over many years infection often leads to liver disease, cirrhosis, liver failure or cancer. New ‘curative’ Direct Acting Antiviral (DAA) treatments for HCV are now becoming available at an affordable price in many target countries but molecular diagnostics need to be widely available prior to treatment to help identify the millions of patients that will benefit from DAAs.

genedrive is the first to market a qualitative point-of-need molecular test. In independent field testing, the Genedrive® HCV-ID assay was shown to have sensitivity and specificity of 100% versus the laboratory standard. genedrive has distribution agreements in place with Sysmex in Africa, however the Company has also now contracted with country specific distributors, which the Directors believe will assist with reducing margin erosion and lower market pricing.

The impacts of Covid-19 on health care are still affecting priorities, making it difficult to quantify the potential of the HCV-ID assay, however the Directors believe there are pockets of opportunities.

The Company achieved pre-qualification (“WHO-PQ”) for the Genedrive HCV tests in May 2020. At the time of the PQ award, the WHO noted in its public release that there were “technical difficulties with verification of the limit of detection (“LoD”) of the assay, this assessment will be repeated at the National Serology Reference Laboratory (NRL), Melbourne, Australia, using a plasma-based secondary standard. Due to the current context with the Covid-19 pandemic, verification of the LoD will be considered as a commitment to maintain prequalification status.” This technical difficulty in assessment is still unresolved following testing at NRL, and the Company is in discussions with the WHO on if and how the assessment criteria will impact the WHO PQ status. It is favourable to have WHO PQ status to conduct business in countries that look to the WHO for procurement standards.

3. Future News Flow

Prior to the end of calendar year 2021 (assuming the Fundraise is completed) the Company is expecting to launch the AIHL assay in the UK across three – five adopter sites, announce clinical test data for the GDR COV POC and attain a CE mark and commence initial sales via partners.

In the first half of calendar 2022 (assuming the Fundraise is completed) the Company expects to launch the AIHL test in the EU, will provide updates on sales for GDR COV POC and also expects resolution of the historical sale opportunities currently open with the US DoD. Finally, the Company may (depending on the level of funds received pursuant to the Fundraise) commence the processes needed for US studies for the AIHL test with the aim of entering the US market in due course.

4. Current Trading

The Company issued its interim results on 25 March 2021. Unaudited revenues to 30 June 2021 are £0.7 million split roughly equally between the DoD and the Genedrive® 96-SARS-CoV-2 test. The estimated loss for the year is £0.8 million after a tax credit of £1.2 million and finance income of £3.5 million as a result of a gain on the conversion of loan notes.

The Company’s unaudited cash positions at 30 June 2021 and 20 August 2021 were £2.6 million and £1.9 million respectively indicating that the rate of cash burn indicated in the interim results issued on 25 March 2021 has broadly been maintained. The Company therefore estimates that, excluding any net proceeds of the Fundraising (and on the same revenue assumptions as set out in the interim results), it has a cash runway of around four months as at the date of this document.

The Company's annual net cost base (after receipt of qualifying R&D tax credits) is currently around £5 million. Post completion of the Fundraise the Company is expecting its annual cost base to increase by between 10% and 15% to support its direct sales approach for the AIHL assay and the planned rollout of the GDR COV POC.

Importance of Vote

Shareholders should note that if the Resolutions are not passed at the General Meeting, the Fundraising will not take place and the proceeds of the Fundraising will not be received by the Company. Should that situation arise the Company only has around four months of working capital and therefore the Directors would need to explore alternative forms of funding for its operations which may not be available at all or, if available, may be on commercially unacceptable terms and could lead to more substantial dilution for Shareholders than would be the case under the proposed Placing and Open Offer.

The Directors consider that not to complete the Placing and Open Offer would not be in the best interests of the Company or its Shareholders as a whole and that any alternative financing, if available, could be on less favourable terms and could lead to more substantial dilution for Shareholders than would be the case under the proposed Placing and Open Offer. Accordingly, the Directors believe that the passing of the Resolutions is in the best interests of Shareholders and recommend that Shareholders vote in favour of all of the Resolutions.

5. Details of the Placing and Open Offer and Use of Proceeds

The net proceeds of the Placing alongside the Company's existing cash are intended to be directed towards the following areas of the Company's operations:

35% of the Group's financial resources are expected to go towards funding the rapid development of the GDR COV POC. The system is expected to receive a CE mark in October 2021. In addition, the Company intends to develop a second generation of the GDR COV POC which is expected to include the bead format utilised in the Genedrive[®] 96-SARS-CoV-2 Kit and wants to also include functionality improvements such as the ability to utilise saliva as a sample. Finally, the Group expects to undertake some initial activities to prepare for potential FDA studies for the GDR COV POC however additional funding is required to properly initiate and complete such studies.

15% of the Group's financial resources are expected to go towards supporting the commercial roll out of the AIHL text including new business development and support teams as set out in paragraph 2 above.

50% of the Group's financial resources are expected to go towards additional product development, commercialisation efforts and general corporate costs until the AIHL test and GDR COV POC are capable to support the Group's overheads. Product development is going to focus on some early pipeline opportunities. There is some moderate investment required to build additional freeze drying capabilities and reduce development timelines on product enhancements, as well as attaining dual supply of the Genedrive[®] instrument via targeting on-shoring solution in addition to the current offshore supplier.

The proceeds of the Placing (before expenses) are expected to raise up to £6.0 million. The Open Offer is being made for up to 18,091,442 Open Offer Shares at the Issue Price on the basis of 2 Open Offer Shares for every 7 Ordinary Shares held by Qualifying Shareholders at the Record Date, to raise up to approximately £4.5 million before expenses. Shareholders subscribing for their full entitlement under the Open Offer may also apply for additional Open Offer Shares under the Excess Application Facility, up to the total number of Open Offer Shares available to Qualifying Shareholders under the Open Offer.

The Directors have given careful consideration to the structure of the Fundraising and concluded that the Placing together with the Open Offer was the most suitable option available to the Company and its Shareholders at this time.

All of the Company's Directors intend to participate in the Fundraising via the Open Offer. The £ sterling amount they each intend to subscribe for is as follows: David Budd – £20,000, Matthew Fowler – £10,000, Ian Gilham £10,000, Tom Lindsay – £15,000 and Chris Yates – £5,000. In the event that the

Open Offer is oversubscribed, any excess applications by the Directors up to such subscription amounts will be allocated in full.

The allotment and issue of the Placing Shares and such number of Open Offer Shares as are subscribed for is conditional on the approval by Shareholders of the Resolutions required for the Directors to allot the Placing Shares and the Open Offer Shares and for statutory pre-emption rights to be disapplied in respect of such allotments. The Resolutions include the relevant approvals required for the Placing and the Open Offer.

Principal Terms of the Placing

Peel Hunt and finnCap, as agents for the Company, have severally agreed to use their respective reasonable endeavours to procure Placees by way of an accelerated bookbuild process on the terms of the Placing and Open Agreement. Placees are required to subscribe for the Placing Shares on the basis of the Terms and Conditions of the Placing set out in the Appendix to the Announcement. Neither the Placing nor the Open Offer is being underwritten.

The issue of the Placing Shares is intended to raise £6.0 million (before expenses). If the Open Offer is taken up in full, the Company would raise a further approximately £4.5 million (before expenses) by the issue of the Open Offer Shares. It is expected that the proceeds of the Placing and the Open Offer will be received by the Company in early October.

Under the Placing and Open Offer Agreement, the Company has agreed to pay to Peel Hunt and finnCap commission based on the aggregate value of the New Ordinary Shares placed at the Placing Price and the costs and expenses incurred in relation to the Placing and Open Offer together with any applicable VAT. Peel Hunt will also be paid a corporate finance fee.

No commissions will be paid to Placees or by Placees in respect of any New Ordinary Shares.

Principal terms of the Open Offer

The Directors consider it important that Qualifying Shareholders have the opportunity to participate in the Fundraising, and the Directors have concluded that the Open Offer is the most suitable option available to the Company and its Shareholders.

The Open Offer provides an opportunity for all Qualifying Shareholders to participate in the fundraising by both subscribing for their respective Basic Entitlements and by subscribing for Excess Shares under the Excess Application Facility, subject to availability.

Pursuant to the Open Offer, Qualifying Shareholders will be given the opportunity to subscribe for 2 Open Offer Shares for every 7 Existing Ordinary Shares held on the Record Date.

The Open Offer will raise gross proceeds of up to approximately £4.5 million if subscribed for in full.

Basic Entitlement

Qualifying Shareholders are invited, on and subject to the terms and conditions of the Open Offer, to apply for any number of Open Offer Shares (subject to the limit on the number of Excess Shares that can be applied for using the Excess Application Facility) at the Issue Price. Qualifying Shareholders have a Basic Entitlement of:

2 Open Offer Shares for every 7 Existing Ordinary Shares

registered in the name of the relevant Qualifying Shareholder on the Record Date.

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

The aggregate number of Open Offer Shares available for subscription pursuant to the Open Offer will not exceed 18,091,442 New Ordinary Shares. Open Offer Shares will not be EIS qualifying shares.

Allocations under the Open Offer

In the event that valid acceptances are not received in respect of all of the Open Offer Shares under the Open Offer, unallocated Open Offer Shares will be allotted to Qualifying Shareholders to meet any valid applications under the Excess Application Facility provided always that no Qualifying Shareholder shall be entitled to receive in excess of such number of Open Offer Shares as would bring their aggregate interest in the Company to more than the 29.9 per cent. Aggregate Limit.

Excess Application Facility

Subject to availability and assuming that Qualifying Shareholders have accepted their Basic Entitlement in full, the Excess Application Facility enables Qualifying Shareholders to apply for any whole number of Excess Shares in addition to their Basic Entitlement up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying Shareholder's Basic Entitlement, subject always to the 29.9 per cent. Aggregate Limit.

Qualifying Non-CREST Shareholders who wish to apply to subscribe for more than their Basic Entitlement should complete the relevant sections on the Application Form and should refer to paragraph 4.1(c) of Part II of this document for further information. Qualifying CREST Shareholders will have Excess CREST Open Offer Entitlements credited to their stock account in CREST and should refer to paragraph 4.2(c) of Part II of this document for information on how to apply for Excess Shares pursuant to the Excess Application Facility.

Excess Applications may be allocated in such manner as the Directors (in consultation with Peel Hunt and finnCap) may determine, in their absolute discretion, 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.

Application procedure under the Open Offer

Qualifying Shareholders may apply for any whole number of Open Offer Shares subject to the limit on applications under the Excess Application Facility referred to above. The Basic Entitlement, in the case of Qualifying Non-CREST Shareholders, is equal to the number of Basic Entitlements as shown in Box 7 on their Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Basic Entitlements standing to the credit of their stock account in CREST.

Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating their Basic Entitlements.

Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Basic Entitlement and also in respect of their Excess CREST Open Offer Entitlement as soon as practicable after 8.00 a.m. on 15 September 2021.

Application will be made for the Basic Entitlements and Excess CREST Open Offer Entitlements to be admitted to CREST. The Basic Entitlements and Excess CREST Open Offer Entitlements will also be enabled for settlement in CREST as soon as practicable after 8.00 a.m. on 15 September 2021. Applications through 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.

Qualifying CREST Shareholders should note that, although the Basic Entitlements and Excess CREST 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 their Application Form is not a negotiable document and cannot be traded.

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

Conditionality

The Placing and Open Offer are conditional upon the Placing and Open Offer Agreement becoming unconditional and not having been terminated in accordance with its terms. The Placing and Open Offer Agreement is conditional, amongst other things, upon the following:

- the passing, without amendment, of the Resolutions at the General Meeting;
- none of the warranties contained in the Placing and Open Offer Agreement, in the opinion of the Bookrunners (acting jointly and in good faith), being untrue or inaccurate or misleading at the date of the Placing and Open Offer Agreement or becoming untrue or inaccurate or misleading at any time between such date and Admission by reference to the facts and circumstances from time to time subsisting;
- the Company having complied with all of its obligations under the Placing and Open Offer Agreement which fall to be performed or satisfied on or prior to Admission; and
- Admission occurring by no later than 8.00 a.m. on 1 October 2021 (or such later time and/or date as may be agreed between the Company and Peel Hunt and finnCap), being no later than 8.00 a.m. on 22 October 2021.

If the conditions set out above are not satisfied or waived (where capable of waiver), the Fundraising will lapse and the New Ordinary Shares will not be allotted and issued and no monies will be received by the Company from investors in respect of the New Ordinary Shares.

All monies received from the Placees in respect of the Placing Shares will be returned to the Placees (at the Placees' risk and without interest) as soon as possible thereafter and any Basic Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will, after that time and date, be disabled and application monies under the Open Offer will be refunded to the applicants, by cheque (at the applicant's risk) in the case of Qualifying Non-CREST Shareholders and by way of a CREST payment in the case of Qualifying CREST Shareholders, without interest, as soon as practicable thereafter.

The Placing and the Open Offer are separate and distinct transactions involving the issue of New Ordinary Shares. However, the Open Offer is conditional on the Placing and will not be implemented independently if for any reason the Placing lapses.

6. Effect of the Placing and the Open Offer

The New Ordinary Shares will, following Admission, rank *pari passu* in all respects with the Existing Ordinary Shares in issue at the date of the Announcement and will carry the right to receive all dividends and distributions declared, made or paid on or in respect of the Ordinary Shares after Admission.

The issue of the Placing Shares, upon completion of the Placing pursuant to the terms of the Placing and Open Offer Agreement, are expected to represent approximately 27.5 per cent. of the Enlarged Share Capital assuming no take up under the Open Offer and 22.8 per cent. of the Enlarged Share Capital assuming full take up under the Open Offer.

The number of Open Offer Shares which will be issued on completion of the Open Offer will be dependent on the applications by Shareholders under the Open Offer. The issue of the Open Offer Shares upon completion of the Open Offer if taken up in full, are expected to represent approximately 17.2 per cent. of the Enlarged Share Capital, assuming full take up under the Open Offer.

Application for Admission

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. Admission is expected to take place, and dealings on AIM are expected to commence, at 8.00 a.m. on 1 October 2021 (or such later time and/or date as may be agreed between the Company and Peel Hunt and finnCap, being no later than 8.00 a.m. on 22 October 2021). No temporary document of title will be issued.

Important notice

Qualifying Shareholders should note that the Open Offer is not a rights issue. Qualifying Shareholders should be aware that in the Open Offer, unlike with a rights issue, any Open Offer

Shares not applied for by Qualifying Shareholders under their Basic Entitlements will not be sold in the market on behalf of, or placed for the benefit of, Qualifying Shareholders who do not apply under the Open Offer but may be allotted to Qualifying Shareholders to meet any valid applications under the Excess Application Facility and that the net proceeds will be retained for the benefit of the Company.

The Placing and the Open Offer are separate and distinct transactions involving the issue of New Ordinary Shares. However, the Open Offer is conditional on the Placing and will not be implemented independently if for any reason the Placing lapses.

Qualifying Shareholders are being invited to participate in the Open Offer and (subject to certain exceptions) will have received an Application Form with this document. However, Qualifying Shareholders are not entitled to participate in the Placing unless expressly invited by the Company and Peel Hunt or finnCap to do so.

In issuing this document and structuring the Placing and the Open Offer in this manner, the Company is relying on the exemption from issuing a prospectus in section 85(5) and paragraph 9 of Schedule 11A of FSMA and on paragraphs 43 and 60 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended).

Any Qualifying Shareholder who has sold or transferred all or part of his registered holding(s) of Existing Ordinary Shares prior to the date on which the shares are marked 'ex-entitlement' 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 Open Offer 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.

7. The Placing and Open Offer Agreement

Pursuant to the terms of the Placing and Open Offer Agreement, Peel Hunt and finnCap, as agents for the Company, have agreed to use their respective reasonable endeavours to procure Placees to take up the Placing Shares on the terms and subject to the conditions set out therein, at the Placing Price. The Placing and Open Offer Agreement is conditional upon, amongst other things, the conditions set out above.

The Placing and Open Offer Agreement contains customary warranties given by the Company in favour of Peel Hunt and finnCap in relation to, amongst other things, the accuracy of the information in the Announcement and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify Peel Hunt (and its affiliates) and finnCap in relation to certain liabilities which they may incur in respect of the Placing.

Peel Hunt and finnCap each have the right to terminate their obligations under the Placing and Open Offer Agreement in certain circumstances prior to Admission. In particular, in the event of breach of the warranties or a material adverse change or if the Placing and Open Offer Agreement does not become unconditional where both Peel Hunt and finnCap terminate their obligations under the Placing and Open Offer Agreement, the Placing and Open Offer Agreement will cease and terminate.

8. General Meeting

The Directors do not currently have authority to allot all of the New Ordinary Shares under the Placing and Open Offer and, accordingly, the Company is seeking approval of Shareholders to grant additional authority to the Directors to allot the New Ordinary Shares and to disapply statutory pre-emption rights which would otherwise apply to the allotment at the General Meeting.

The General Meeting of the Company, notice of which is set out at the end of this document, is to be held at 11 a.m. on 30 September 2021 at 48 Grafton Street, Manchester M13 9XX. The General Meeting is being held for the purpose of considering and, if thought fit, passing the Resolutions in order to approve the authorities required to allot and issue the New Ordinary Shares.

Shareholders are reminded that the Fundraising is conditional, inter alia, on the passing of the Resolutions to be proposed at the General Meeting. Should the Resolutions not be passed, the Fundraising will not proceed and any associated monies in respect of the New Ordinary Shares will be returned to investors.

Notwithstanding the recent relaxation in public health advice in relation to public gatherings in response to the COVID-19 outbreak, the Company strongly encourages all Shareholders to submit their Form of Proxy, appointing the Chairman of the meeting as proxy, rather than attend the meeting in person. Only the formal business of the Resolutions will be carried out at the meeting and no update will be provided.

A summary and explanation of the Resolutions is set out below. Please note that this is not the full text of the Resolutions and you should read this section in conjunction with the Resolutions contained in the Notice of General Meeting at the end of this document.

Resolution 1: Authority to allot New Ordinary Shares

This ordinary resolution will grant the Directors authority to allot up to 42,091,442 New Ordinary Shares for the purposes of the Placing and the Open Offer. The authority given by this Resolution will expire 90 days after the date of the passing of the Resolution. This authority will be in addition to the authorities given to the Directors at the annual general meeting of the Company which took place on 30 December 2020.

Resolution 2: Disapplication of pre-emption rights in respect of the New Ordinary Shares

Conditional on the passing of Resolution 1, this special resolution disapplies statutory pre-emption rights in respect of the allotment up to 42,091,442 New Ordinary Shares to be allotted pursuant to the authority granted by Resolution 1 in connection with the Placing and Open Offer. The authority given by this Resolution will expire 90 days after the date of the passing of the Resolution. This authority will be in addition to the authorities given to the Directors at the annual general meeting of the Company which took place on 30 December 2020.

Save in respect of the allotment of the Placing Shares and Open Offer Shares, the grant of options to employees under employee share plans or other similar incentive arrangements and pursuant to the exercise of exiting options in respect of Ordinary Shares, the Directors have no current intention to allot shares or rights to subscribe or convert into shares, in the capital of the Company.

Action to be taken in respect of the General Meeting

A Form of Proxy for use at the General Meeting accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the Company's Registrars Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD by post by no later than 11 a.m. on 28 September 2021 (or if the General Meeting is adjourned, 48 hours before the time fixed for the adjourned meeting).

If you hold your Existing Ordinary Shares in uncertificated form in CREST, you may vote using the CREST electronic proxy appointment service or by using the procedures described in the CREST Manual. Further details are also set out in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted by CREST must be transmitted so as to be received by the issuers agent (ID: 7RA11) by no later than 11 a.m. on 28 September 2021 (or if the General Meeting is adjourned, 48 hours before the time fixed for an adjourned meeting).

9. Dilutive impact of Placing and Open Offer

The proposed issue of the Placing Shares and the Open Offer Shares pursuant to the Fundraising will dilute existing shareholdings of Shareholders. Qualifying Shareholders will be able to mitigate the extent of this dilution by applying for Open Offer Shares in the Open Offer.

The maximum dilution which a Shareholder will be subject to if he/she does not participate in the Open Offer, as a result of completion of the Placing and the Open Offer (assuming the Open Offer is taken up in full) is 39.9 per cent.

10. Recommendations

Shareholders should note that, if the Resolutions are not passed at the General Meeting, the Fundraising will not take place and the proceeds of the Fundraising will not be received by the Company. This would materially and adversely affect the Company's business plans and severely

impact its ability to finalise the development of GDR COV POC and launch the AIHL test and to continue to trade for the rest of the financial year.

If this were to happen, in order to have sufficient working capital to continue to trade, the Directors would need to explore alternative forms of funding for its operations which may not be available at all or if available, may be on commercially unacceptable terms and could lead to more substantial dilution for Shareholders than would be the case under the proposed Placing and Open Offer.

Accordingly, the Directors consider that the Placing and Open Offer and the passing of the Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of all of the Resolutions, as they intend to do in respect of their beneficial holdings of an aggregate of 1,059,862 Existing Ordinary Shares, representing approximately 1.7 per cent. of the Existing Ordinary Shares.

Yours faithfully

Ian Gilham
Non-Executive Chairman

PART II

TERMS AND CONDITIONS OF THE OPEN OFFER

1. Introduction

As explained in Part I of this document, the Company proposes to issue up to 18,091,442 Open Offer Shares at the Issue Price in order to raise up to approximately £4.5 million (before fees and expenses) by way of the Open Offer (assuming that the Open Offer is subscribed in full).

The Open Offer is an opportunity for Qualifying Shareholders to apply to subscribe for Open Offer Shares at the Issue Price in accordance with the terms of the Open Offer. Qualifying Shareholders are also being offered the opportunity to apply for additional Open Offer Shares in excess of their Basic Entitlements to the extent that other Qualifying Shareholders do not take up their Basic Entitlement in full.

The Open Offer has not been underwritten. There may be no more than 18,091,442 Open Offer Shares issued under the Open Offer.

The Open Offer Shares to be issued pursuant to the Open Offer 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 after Admission.

Any Qualifying Shareholder who has sold or transferred all or part of his registered holding(s) of Existing Ordinary Shares prior to 8.00 a.m. on 14 September 2021, when the Existing Ordinary Shares are marked “ex” the entitlement to 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 Open Offer Shares under the Open Offer may be a benefit which may be claimed from him by the purchaser(s) under the rules of the London Stock Exchange.

The Open Offer is not conditional upon the level of applications made to subscribe under the Open Offer or upon any minimum level of proceeds being raised. For the purposes of section 578 of the Act, the Open Offer is being made on the basis that the Open Offer Shares subscribed for will be allotted in any event. Accordingly, even if the Open Offer is not fully subscribed, Open Offer Shares will be issued to Qualifying Shareholders who have applied (subject to the terms and conditions set out in this document and the Application Form).

A summary of the arrangements relating to the Open Offer is set out below. This document and, for Qualifying Non-CREST Shareholders, the Application Form contain the formal terms and conditions of the Open Offer. Your attention is drawn to paragraph 4 of this Part II which gives details of the procedure for application and payment for the Open Offer Shares. The attention of Overseas Shareholders is drawn to paragraph 6 of this Part II.

Open Offer Shares subscribed for under the Open Offer will not be EIS qualifying shares.

2. The Open Offer

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, in the Application Form), Qualifying Shareholders are being given the opportunity to apply for any number of Open Offer Shares (subject to the limit on the number of Excess Shares that can be applied for using the Excess Application Facility) at the Issue Price (payable in full on application and free of all expenses) and will have a Basic Entitlement of:

2 Open Offer Shares for every 7 Existing Ordinary Shares

registered in the name of each Qualifying Shareholder on the Record Date. Valid applications by Qualifying Shareholders will be satisfied in full up to their Basic Entitlements.

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

Shareholders with fewer than 7 Existing Ordinary Shares will not be able to apply for Open Offer Shares. Qualifying Shareholders may apply to acquire less than their Basic Entitlement should they so wish.

Subject to availability, the Excess Application Facility will enable Qualifying Shareholders, provided they have taken up their Basic Entitlement in full, to apply for further Open Offer Shares in excess of their Basic Entitlement up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying Shareholder's Basic Entitlement, subject always to the 29.9 per cent. Aggregate Limit.

Please refer to paragraphs 4.1(c) and 4.2(c) of this Part II for further details of the Excess Application Facility.

Please note that holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating Basic Entitlements, as will holdings under different designations and in different accounts.

Qualifying CREST Shareholders will have their Basic Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST and should refer to paragraphs 4.2(a) to 4.2(l) of this Part II and also to the CREST Manual for further information on the relevant CREST procedures.

Qualifying Shareholders may apply for any whole number of Open Offer Shares subject to the limit on applications under the Excess Application Facility referred to above. The Basic Entitlement, in the case of Qualifying Non-CREST Shareholders, is equal to the number of Open Offer Shares shown in Box 7 on the Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Basic Entitlements standing to the credit of their stock account in CREST.

The Excess Application Facility enables Qualifying Shareholders who have taken up their Basic Entitlement in full to apply for any whole number of Excess Shares in addition to their Basic Entitlement up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying Shareholder's Basic Entitlement, subject always to the 29.9 per cent. Aggregate Limit. Qualifying Non-CREST Shareholders who wish to apply to subscribe for more than their Basic Entitlement should complete Boxes 2, 3, 4 and 5 on the Application Form. Excess Applications may be allocated in such manner as the Directors may determine, in their absolute discretion, 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.

The aggregate number of Open Offer Shares available for subscription pursuant to the Open Offer (including under the Excess Application Facility) is 18,091,442 Open Offer Shares.

Qualifying Shareholders should note that the Open Offer is not a rights issue. Qualifying Non-CREST Shareholders should also note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Basic Entitlements and Excess CREST Open Offer Entitlements will be credited to CREST and be enabled for settlement, applications in respect of Basic 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 raised by Euroclear's Claims Processing Unit. Qualifying Shareholders should be aware that in the Open Offer, unlike with a rights issue, any Open Offer Shares not applied for by Qualifying Shareholders under their Basic Entitlements will not be sold in the market on behalf of, or placed for the benefit of, Qualifying Shareholders who do not apply under the Open Offer, but may be allotted to Qualifying Shareholders to meet any valid applications under the Excess Application Facility and that the net proceeds will be retained for the benefit of the Company. Qualifying Shareholders who do not apply to take up Open Offer Shares will have no rights under the Open Offer.

Any Qualifying Shareholder who has sold or transferred all or part of his registered holding(s) of Existing Ordinary Shares prior to 8.00 a.m. on 14 September 2021 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 Open Offer Shares under the Open Offer may be a benefit which may be claimed from him by the purchaser(s) under the rules of the London Stock Exchange.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the New Ordinary Shares. All such New Ordinary Shares, when issued and fully paid, may be held and transferred by means of CREST.

Application will be made for the Basic Entitlements and Excess CREST Open Offer Entitlements to be admitted to CREST. The conditions for such admission having already been met, the Basic Entitlements and Excess CREST Open Offer Entitlements are expected to be admitted to CREST with effect from 15 September 2021.

The Open Offer Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares. The Open Offer Shares are not being made available in whole or in part to the public except under the terms of the Open Offer.

3 Conditions and further terms of the Open Offer

The Open Offer is conditional, *inter alia*, upon the following:

- the passing, without amendment, of the Resolutions at the General Meeting and the Resolutions becoming unconditional;
- the London Stock Exchange agreeing to admit (subject only to allotment where relevant) the Placing Shares and the Open Offer Shares to trading on AIM;
- Admission becoming effective by not later than 8.00 a.m. on 1 October 2021 (or such later time and/or date as may be agreed between the Company and Peel Hunt and finnCap, being no later than 8.00 a.m. on 22 October 2021);
- the Placing and Open Offer Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms; and
- the implementation of the Placing.

Accordingly, if any of these conditions are not satisfied or waived (where capable of waiver) by 8.00 a.m. on 1 October 2021 (or such later time and/or date as may be agreed between the Company and Peel Hunt and finnCap, being no later than 8.00 a.m. on 22 October 2021), 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 thereafter. Revocation of applications for Open Offer Shares cannot occur after dealings have begun.

No temporary documents of title will be issued in respect of Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form on or before 8 October 2021. In respect of those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in uncertificated form, the Open Offer Shares are expected to be credited to their stock accounts maintained in CREST on 1 October 2021.

Application will be made for the Open Offer Shares to be admitted to trading on AIM. Admission is expected to occur on 1 October 2021, when dealings in such number of Open Offer Shares as are subscribed for are expected to begin.

All monies received by the Receiving Agent in respect of Open Offer Shares will be held in a separate non-interest bearing bank account opened solely for the Open Offer.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

4. Procedure for application and payment

The action to be taken by Qualifying Shareholders in respect of the Open Offer depends on whether, at the relevant time, a Qualifying Shareholder has an Application Form in respect of his Basic Entitlement or a Qualifying Shareholder has Basic Entitlements and Excess CREST Open Offer Entitlements credited to his CREST stock account in respect of such entitlement.

Qualifying Shareholders who hold their Existing Ordinary Shares in certificated form (that is, not in CREST) will be allotted Open Offer Shares in certificated form. Qualifying Shareholders who hold all or part of their Existing Ordinary Shares in uncertificated form (that is, in CREST) will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Basic Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4.2(g) of this Part II.

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 Basic Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Basic Entitlements and Excess CREST Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

Qualifying Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. Qualifying Shareholders are, however, strongly encouraged to vote at the General Meeting by completing and returning the Form of Proxy enclosed with this document.

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

(a) General

Subject as provided in paragraph 6 of this Part II in relation to Overseas Shareholders, Qualifying Non-CREST Shareholders will receive an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in their name on the Record Date in Box 6. It also shows the number of Open Offer Shares which represents their Basic Entitlement under the Open Offer, as shown by the total number of Basic Entitlements allocated to them set out in Box 7. Box 8 shows how much they would need to pay if they wish to take up their Basic Entitlement in full. Qualifying Non-CREST Shareholders wishing to take up their Basic Entitlement in full should complete Boxes 2, 4 and 5.

Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Non-CREST Shareholders' Basic Entitlements and will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility. Any Qualifying Non-CREST Shareholders with fewer than 7 Existing Ordinary Shares will not receive a Basic Entitlement. Any Qualifying Non-CREST Shareholder with fewer than 7 Existing Ordinary Shares will not be able to apply for Excess Shares pursuant to the Excess Facility (see paragraph 4.1(c) of this Part II). Qualifying Non-CREST Shareholders may apply for less than their Basic Entitlement should they wish to do so. Qualifying Non-CREST Shareholders wishing to apply for Open Offer Shares representing less than their Basic Entitlement may do so by completing Boxes 2, 4 and 5 of the Application Form. Subject to availability, and assuming that Qualifying Shareholders have accepted their Basic Entitlement in full, Qualifying Non-CREST Shareholders may also apply for any whole number of Excess Shares in excess of their Basic Entitlement up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying Non-CREST Shareholder's Basic Entitlement, subject always to the 29.9 per cent. Aggregate Limit, by completing Boxes 2, 3, 4 and 5 of the Application Form (see paragraph 4.1(c) of this Part II). Qualifying Non-CREST Shareholders may hold such an Application Form by virtue of a bona fide market claim (see paragraph 4.1(b) of this Part II).

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

(b) Bona fide market claims

Applications to acquire Open Offer Shares may only be made on the 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. Application Forms may not be assigned, transferred or split, except to satisfy bona fide market claims up to 3.00 p.m. on 24 September 2021. The 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 Open Offer Shares under the Open Offer may be a benefit which may be claimed by the purchaser. 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 Application Form and immediately send it to either the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or to the Receiving Agent in accordance with the instructions set out in the accompanying Application Form. Subject to certain exceptions, the Application Form should not, however, be forwarded to or transmitted in or into a Restricted Jurisdiction. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 4.2(b) of this Part II.

(c) Excess Application Facility

Subject to availability and to the below, and assuming that Qualifying Non-CREST Shareholders have accepted their Basic Entitlement in full, Qualifying Non-CREST Shareholders may apply to acquire Excess Shares using the Excess Application Facility, should they wish. Qualifying Non-CREST Shareholders wishing to apply for Excess Shares, up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying Non-CREST Shareholder’s Basic Entitlement, subject always to the 29.9 per cent. Aggregate Limit, may do so by completing Boxes 2, 3, 4 and 5 of the Application Form. The total number of Open Offer Shares is fixed and will not be increased in response to any Excess Applications. Excess Applications will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Basic Entitlements in full or where fractional entitlements have been aggregated and made available under the Excess Application Facility and where such Excess Application is not in excess of the relevant Qualifying Non-CREST Shareholder’s 29.9 per cent. Aggregate Limit. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by Qualifying Non-CREST Shareholders will be met in full or in part or at all.

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 thereafter by way of cheque or CREST payment, as appropriate.

(d) Application procedures

Qualifying Non-CREST Shareholders wishing to apply to acquire all or any of the Open Offer Shares to which they are entitled should complete the Application Form in accordance with the instructions printed on it. Completed Application Forms should be posted along with a cheque or banker’s draft written in black ink drawn in the appropriate form using the accompanying reply-paid envelope (if posted from the UK only) to Neville Registrars, Neville House, Steelpark Road, Halesowen, B62 8HD (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 a.m. on 28 September 2021, after which time Application Forms will not be valid (subject to certain exceptions described below). Qualifying Non-CREST

Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. If an Application Form is being sent by first-class post in the UK, Qualifying Shareholders are recommended to allow at least four working days for delivery.

Completed Application Forms should be returned with a cheque or banker's draft written in black ink and drawn in sterling on a bank or building society in the UK which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or a member of either of the committees of the Scottish or Belfast Clearing Houses or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by any of those companies or committees. Such cheques or banker's drafts must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on the application.

Cheques should be drawn on a personal account in respect of which the Qualifying Shareholder has sole or joint title to the funds and should be made payable to "Neville Registrars Limited re: Clients Account" and crossed "A/C Payee Only". Cheques drawn on a non-UK bank will be rejected. Third party cheques may not be accepted with the exception of building society cheques where the building society or bank has inserted the full name of the account holder and have either added either the building society or bank branch stamp. The name of the account holder should be the same as that shown on the Application Form. Payments via CHAPS, BACS or electronic transfer will not be accepted. Post dated cheques will not be accepted.

Cheques and banker's drafts will be presented for payment on receipt and it is a term of the Open Offer that cheques and banker's drafts will be honoured on first presentation. The Company may elect to treat as valid or invalid any applications made by Qualifying Non-CREST Shareholders in respect of which cheques are not so honoured. If cheques or banker's drafts are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be kept in a separate non-interest bearing bank account until all conditions are met. If the Open Offer does not become unconditional, no Open Offer 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 following the lapse of the Open Offer.

The Company may in its sole discretion, but shall not be obliged to, treat an 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) with the prior consent of Peel Hunt and finnCap to accept either:

- (i) Application Forms received after 11 a.m. on 28 September 2021; or
- (ii) applications in respect of which remittances are received before 11 a.m. on 28 September 2021 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the 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 Open Offer Shares have already been allotted and issued 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, the Receiving Agent 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 Open Offer 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. None of the Receiving Agent, Peel Hunt, finnCap, or 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 Shareholder as a result.

(e) Effect of application

By completing and delivering an Application Form, the applicant:

- (i) represents and warrants to the Company, Peel Hunt and finnCap that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer 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 Open Offer Shares or acting on behalf of any such person on a non-discretionary basis; agrees with the Company, Peel Hunt and finnCap that all applications under the Open Offer and any contracts or non-contractual obligations resulting therefrom shall be governed by and construed in accordance with the laws of England;
- (ii) confirms to the Company, Peel Hunt and finnCap that in making the application he is not relying on any information or representation in relation to the Group other than those 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 herein 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 Group contained in this document;
- (iii) confirms to the Company, Peel Hunt and finnCap that in making the application he is not relying and has not relied on Peel Hunt or any other person affiliated with Peel Hunt or finnCap or any other person affiliated with finnCap in connection with any investigation of the accuracy of any information contained in this document or his investment decision;
- (iv) confirms to the Company, Peel Hunt and finnCap that no person has been authorised to give any information or to make any representation concerning the Group or the Open Offer Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be, and has not been, relied upon as having been authorised by the Company, Peel Hunt and finnCap;
- (v) represents and warrants to the Company, Peel Hunt and finnCap that he is the Qualifying Shareholder originally entitled to the Basic Entitlements or that he received such Basic Entitlements by virtue of a bona fide market claim;
- (vi) represents and warrants to the Company, Peel Hunt and finnCap that if he has received some or all of his Basic Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Basic Entitlements by virtue of a bona fide market claim;
- (vii) requests that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and the Application Form, subject to the Articles of Association of the Company;
- (viii) represents and warrants to the Company, Peel Hunt and finnCap that he is not, nor is he applying on behalf 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 any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application 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 any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer 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 it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor any person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;

- (ix) confirms that the Open Offer Shares have not been offered to the applicant by the Company, Peel Hunt, finnCap or any of their respective affiliates, by means of any: (a) “directed selling efforts” as defined in Regulation S under the US Securities Act; or (b) “general solicitation” or “general advertising” as defined in Regulation D under the US Securities Act;
- (x) by becoming registered as a holder of Open Offer Shares, he acknowledges and agrees that the processing by the Company and/or the Registrars and/or Peel Hunt and/or finnCap of any personal data relating to him in the manner described above is undertaken for the purposes of: (a) performance of the contractual arrangements between them; and (b) to comply with applicable legal obligations. In providing the Company and/or the Registrars and/or Peel Hunt and/or finnCap with information, he hereby represents and warrants to each of them that he has notified any data subject of the processing of their personal data (including the details set out above) by the Company, the Registrars and/or Peel Hunt and/or finnCap and their respective affiliates and group companies, in relation to the holding of and using, their personal data for the Purposes. Any individual whose personal information is held or processed by a data controller: (a) has the right to ask for a copy of their personal information held; (b) to ask for any inaccuracies to be corrected or for their personal information to be erased; (c) object to the ways in which their information is used, and ask for their information to stop being used or otherwise restricted; and (d) ask for their personal information to be sent to them or to a third party (as permitted by law). A data subject seeking to enforce these rights should contact the relevant data controller. Individuals also have the right to complain to the UK Information Commissioner’s Office about how their personal information has been handled; and
- (xi) represents and warrants to the Company, Peel Hunt and finnCap 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

All enquiries in connection with the procedure for application and completion of the Application Form, please contact Neville Registrars on 0121 585 1131 or +44 (0) 121 585 1131 (if calling from outside the UK). 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 a.m. – 5 p.m., London time Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars 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 want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. Qualifying Non-CREST Shareholders are, however, encouraged to vote at the General Meeting by attending in person or by completing and returning the Form of Proxy enclosed with this document.

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

- (a) general

Subject as provided in paragraph 6 of this Part II in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST in respect of his Basic Entitlement together with a credit Excess CREST

Open Offer Entitlements. Qualifying CREST Shareholders should note that this is not a cap on the maximum number of Excess Shares they can apply for and if they wish to apply for more Excess Shares than the Excess CREST Open Offer Entitlement they have been credited then they should contact the Shareholder helpline on 0121 585 1131 or +44 (0) 121 585 1131 (if calling from outside of the UK to request an increased credit, ensuring to leave sufficient time for the additional Excess CREST Open Offer Entitlement to be credited to their account and for an application to be made in respect of those Excess CREST Open Offer Entitlements before the application deadline, subject always to the 29.9 per cent. Aggregate Limit) (see paragraph 4.2(c) of this Part II for further details). Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Shareholders' Basic Entitlement and will be aggregated and made available under the Excess Application Facility. Any Qualifying CREST Shareholders with fewer than 7 Existing Ordinary Shares will not receive a Basic Entitlement. Any Qualifying Non-CREST Shareholder with fewer than 7 Existing Ordinary Shares will not be able to apply for Excess Shares pursuant to the Excess Application Facility (see paragraph 4.2(c) of this Part II).

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Basic Entitlements and Excess CREST Open Offer Entitlements have been allocated.

If for any reason the Basic Entitlements and/or Excess CREST Open Offer Entitlements cannot be admitted to CREST, or the stock accounts of Qualifying CREST Shareholders cannot be credited, by close of business on 15 September 2021, or such later time and/or date as may be agreed between the Company, Peel Hunt and finnCap, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Basic 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 Application Forms will apply to Qualifying CREST Shareholders who receive such Application Forms.

CREST members who wish to apply to acquire some or all of their entitlements to Open Offer 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 Neville Registrars on 0121 585 1131 or +44 (0)121 585 1131 (if calling from outside the UK). 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 a.m. – 5 p.m. (London Time), Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(b) Bona fide market claims

Each of the Basic Entitlements and the Excess CREST Open Offer Entitlements will constitute a separate security for the purposes of CREST and will have a separate ISIN. Although Basic Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Basic Entitlements and the 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 Euroclear's Claims Processing Unit as "cum" the CREST Open Offer Entitlements and the Excess CREST Open Offer Entitlement will generate an appropriate market claim transaction and the relevant CREST Open Offer Entitlements and Euroclear's Claims Processing Unit will not generate market claims for Excess CREST Open Offer Entitlements and any Qualifying Shareholder who requires Excess CREST Open Offer Entitlement to be credited to their CREST Account should contact Neville Registrars on 0121 585 1131 or, if phone from outside the UK, +44 (0) 121 585 1131. Lines are open from 9 a.m. – 5 p.m. (London Time) Monday to Friday excluding public holidays in England and Wales will thereafter be transferred accordingly.

(c) Excess Application Facility

Subject to availability and to the below, and assuming that Qualifying CREST Shareholders have accepted their Basic Entitlement in full, Qualifying CREST Shareholders may apply to acquire Excess Shares using the Excess Application Facility, should they wish. The Excess Application Facility enables Qualifying CREST Shareholders to apply for Excess Shares in excess of their Basic Entitlement up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying CREST Shareholder's Basic Entitlement, subject always to the 29.9 per cent. Aggregate Limit.

An Excess CREST Open Offer Entitlement may not be sold or otherwise transferred.

Subject as provided in paragraph 6 of this Part II 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 Shares to be settled through CREST.

Qualifying CREST Shareholders should note that, although the Basic 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 Basic Entitlements nor the Excess CREST Open Offer Entitlements will be tradable or listed and applications in respect of the Open Offer 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 Shares pursuant to the Open Offer, Qualifying CREST Shareholders should follow the instructions in paragraph 4.2(f) below and must not return a paper form and cheque.

Should a transaction be identified by the Euroclear's Claims Processing Unit as "cum" the CREST Open Offer Entitlement and the Excess CREST Open Offer Entitlements will thereafter be transferred accordingly. Euroclear's Claims Processing Unit will not generate market claims for the Excess CREST Open Offer Entitlements.

The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Application Facility. Applications under the Excess Application Facility will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Basic Entitlements in full or where fractional entitlements have been aggregated and made available under the Excess Application Facility, subject always to the 29.9 per cent. Aggregate Limit. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by Qualifying Shareholders will be met in full or in part or at all.

Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant's sole risk) without interest as soon as practicable thereafter by way of cheque or CREST payment, as appropriate.

(d) E instructions

Qualifying CREST Shareholders who are CREST members and who want to apply for Open Offer Shares in respect of all or some of their Basic Entitlement and Excess CREST Open Offer Entitlements in CREST 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:

- (i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Basic Entitlements and/or Excess CREST Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and

- (ii) 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 Open Offer Shares referred to in paragraph 4.2(d)(i) above.
- (e) Content of USE instruction in respect of Basic 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:
- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Basic Entitlement(s) being delivered to the Receiving Agent);
 - (ii) the ISIN of the Basic Entitlement. This is GB00BNHXFW97;
 - (iii) the CREST participant ID of the accepting CREST member;
 - (iv) the CREST member account ID of the accepting CREST member from which the Basic Entitlements are to be debited;
 - (v) the participant ID of Neville Registrars in its capacity as Receiving Agent. This is 7RA11;
 - (vi) the member account ID of Neville Registrars in its capacity as Receiving Agent. This is BASIC;
 - (vii) 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 Open Offer Shares referred to in paragraph 4.2(e)(i) above;
 - (viii) the intended settlement date. This must be on or before 11 a.m. on 28 September 2021; and
 - (ix) 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 a.m. on 28 September 2021.

In order to assist prompt settlement of the USE instruction, CREST members (or their 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 28 September 2021 in order to be valid is 11 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 1 October 2021 (or such later time and/or date as may be agreed between the Company, Peel Hunt and finnCap, being no later than 8.00 a.m. on 22 October 2021), the Open Offer will lapse, the Basic Entitlements and 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 thereafter.

- (f) Content of USE instruction in respect of Excess CREST Open Offer Entitlements
The USE instruction must be properly authenticated in accordance with Euroclear specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which the application is being made (and hence the number of the Excess CREST Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement. This is GB00BNHXFS51;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the participant ID of Neville Registrars in its capacity as Receiving Agent. This is 7RA11;
- (vi) the member account ID of Neville Registrars in its capacity as Receiving Agent. This is EXCESS;
- (vii) 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 Open Offer Shares referred to in paragraph 4.2(f)(i) above;
- (viii) the intended settlement date. This must be on or before 11 a.m. on 28 September 2021; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for the application in respect of an Excess CREST Open Offer Entitlement 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 a.m. on 28 September 2021.

In order to assist prompt settlement of the USE instruction, CREST members (or their 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 28 September 2021 in order to be valid is 11 a.m. on that day. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess CREST Open Offer Entitlement security.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 1 October 2021 (or such later time and/or date as may be agreed between the Company, Peel Hunt and finnCap, being no later than 8.00 a.m. on 22 October 2021), the Open Offer will lapse, the Basic Entitlements and 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 thereafter.

- (g) Deposit of Basic Entitlements into and withdrawal from CREST
A Qualifying Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Basic Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application

Form or into the name of a person entitled by virtue of a bona fide market claim). Similarly, Basic Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer can be applied for through an 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 Application Form.

A holder of an 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 Basic 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 a.m. on 28 September 2021. After depositing their Basic 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, the recommended latest time for depositing an 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 Application Form as Basic Entitlements or Excess CREST Open Offer Entitlements in CREST, is 3 p.m. on 23 September 2021 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Basic Entitlements from CREST is 4:30 p.m. on 22 September 2021, in either case so as to enable the person acquiring or (as appropriate) holding the Basic Entitlements and the entitlement to apply under the Excess Application Facility following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility as the case may be prior to 11 a.m. on 28 September 2021.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying Shareholder named in the 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 is/they 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 Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that it is/they are not citizen(s) or resident(s) of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer 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.

(h) 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 a.m. on 28 September 2021 will constitute a valid application under the Open Offer.

(i) 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. 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 by 11 a.m. on 28 September 2021. 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.

- (j) 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:
- (i) to reject the application in full and refund the payment to the CREST member in question, without payment of interest;
 - (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer 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 payment of interest; and
 - (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction, refunding any unutilised sum to the CREST member in question, without payment of interest.
- (k) Effect of valid application
- A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby:
- (i) represents and warrants to the Company, Peel Hunt and finnCap that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer 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 Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
 - (ii) agrees with the Company 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);
 - (iii) agrees with the Company, Peel Hunt and finnCap that all applications under the Open Offer and any contracts or non-contractual obligations resulting therefrom shall be governed by, and construed in accordance with, the laws of England;
 - (iv) confirms to the Company, Peel Hunt and finnCap that in making the application he is not relying on any information or representation in relation to the Group other than those 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 herein 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 Group contained in this document;
 - (v) confirms to the Company, Peel Hunt and finnCap that in making the application he is not relying and has not relied on Peel Hunt or finnCap or any other person affiliated with Peel Hunt or finnCap or any other person affiliated with Peel Hunt or finnCap in connection with any investigation of the accuracy of any information contained in this document or his investment decision;
 - (vi) confirms to the Company, Peel Hunt and finnCap that no person has been authorised to give any information or to make any representation concerning the Group or the Open Offer Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be, and has not been, relied upon as having been authorised by the Company, Peel Hunt and finnCap;

- (vii) represents and warrants to the Company, Peel Hunt and finnCap that he is the Qualifying Shareholder originally entitled to the Basic Entitlements and Excess CREST Open Offer Entitlements or that he has received such Basic Entitlements and Excess CREST Open Offer Entitlements by virtue of a bona fide market claim;
- (viii) represents and warrants to the Company, Peel Hunt and finnCap that if he has received some or all of his Basic Entitlements and Excess CREST Open Offer Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Basic Entitlements and Excess CREST Open Offer Entitlements by virtue of a bona fide market claim;
- (ix) requests that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the Articles of Association of the Company (as amended by the Resolutions);
- (x) represents and warrants to the Company, Peel Hunt and finnCap that he is not, nor is he applying on behalf 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 any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application 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 any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer 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 it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor any person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (xi) confirms that the Open Offer Shares have not been offered to the applicant by the Company, Peel Hunt, finnCap or any of their respective affiliates, by means of any:
 - (a) "directed selling efforts" as defined in Regulation S under the US Securities Act;
 - or (b) "general solicitation" or "general advertising" as defined in Regulation D under the US Securities Act;
- (xii) acknowledges and agrees that, pursuant to the General Data Protection Regulation as implemented in the United Kingdom by the Data Protection Act 2018 ("GDPR") the Company and/or the Registrars and/or Peel Hunt and/or finnCap, may hold personal data (as defined in the GDPR) relating to past and present Shareholders. Personal data may be retained on record for a period exceeding six years after it is no longer used. The Company, the Registrars and/or Peel Hunt and/or finnCap will only process such information for the purposes set out below (collectively, the "Purposes"), being to: (a) process his personal data to the extent and in such manner as is necessary for the performance of their obligations under the contractual arrangements between them, including as required by or in connection with his holding of Ordinary Shares in CREST, including processing personal data in connection with credit and money laundering checks on him; (b) communicate with him as necessary in connection with his affairs and generally in connection with his holding of Ordinary Shares in CREST; (c) provide personal data to such third parties as the Company, the Registrars and/or Peel Hunt and/or finnCap may consider necessary in connection with his affairs and generally in connection with his holding of Ordinary Shares or as the GDPR may require, including to third parties outside the European Economic Area; (d) without limitation, provide such personal data to their respective affiliates for processing, notwithstanding that any such party may be outside the European Economic Area; and (e) process his personal data for the Company's, the Registrars' and/or Peel Hunt and/or finnCap's internal administration.

(xiii) by becoming registered as a holder of Open Offer Shares, he acknowledges and agrees that the processing by the Company and/or the Registrars and/or Peel Hunt and/or finnCap of any personal data relating to him in the manner described above is undertaken for the purposes of: (a) performance of the contractual arrangements between them; and (b) to comply with applicable legal obligations. In providing the Company and/or the Registrars and/or Peel Hunt and/or finnCap with information, he hereby represents and warrants to each of them that he has notified any data subject of the processing of their personal data (including the details set out above) by the Company, the Registrars and/or Peel Hunt and/or finnCap and their respective affiliates and group companies, in relation to the holding of, and using, their personal data for the Purposes. Any individual whose personal information is held or processed by a data controller: (a) has the right to ask for a copy of their personal information held; (b) to ask for any inaccuracies to be corrected or for their personal information to be erased; (c) object to the ways in which their information is used, and ask for their information to stop being used or otherwise restricted; and (d) ask for their personal information to be sent to them or to a third party (as permitted by law). A data subject seeking to enforce these rights should contact the relevant data controller. Individuals also have the right to complain to the UK Information Commissioner's Office about how their personal information has been handled; and represents and warrants to the Company, Peel Hunt and finnCap 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.

(l) Company's discretion as to the rejection and validity of applications

The Company may in its sole discretion but with the prior consent of Peel Hunt and finnCap:

- (i) 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 II;
- (ii) 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;
- (iii) 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 Receiving Agent 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 35(5)(a) 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
- (iv) 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 Open Offer 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 or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

5. Money Laundering Regulations

5.1 Holders of 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 Application Form is lodged with payment (which requirements are referred to below as the “verification of identity requirements”). If the 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 Application Form.

The person lodging the 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 Open Offer Shares as is referred to therein (for the purposes of this paragraph 5, the “relevant Open Offer 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 Open Offer 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 and address 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 acceptor’s 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 Application Form with the appropriate remittance will constitute a warranty to each of the Receiving Agent, the Company, Peel Hunt and finnCap from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

- (a) The verification of identity requirements will not usually apply:
- (i) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering (no.91/308/EEC)); or
 - (ii) if the acceptor is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or
 - (iii) 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
 - (iv) if the aggregate subscription price for the Open Offer Shares is less than €10,000 (approximately £8,500 as at the Latest Practicable Date).

- (b) In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:
- (i) if payment is made by cheque or banker's draft in sterling drawn on a branch in the UK 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 written in black ink and made payable to "Neville Registrars Limited re: Clients Account" in respect of an application by a Qualifying Shareholder and crossed "A/C Payee Only" in each case. 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 cheque/bankers' draft to such effect. The account name should be the same as that shown on the Application Form; or
 - (ii) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in paragraph 5.1(a)(i) 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 are Argentina, Australia, Brazil, Canada, China, Hong Kong, Iceland, Japan, Mexico, New Zealand, Norway, Russian Federation, Singapore, the Republic of Korea, the Republic of South Africa, Switzerland, Turkey, UK Crown Dependencies and the US and, by virtue of their membership of the Gulf Cooperation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide with the 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 Receiving Agent. If the agent is not such an organisation, it should contact the Receiving Agent at Neville Registrars, Neville House, Steelpark Road, Halesowen, B62 8HD.
 - (iii) To confirm the acceptability of any written assurance referred to in paragraph 5.1(b)(ii) above, or in any other case, the acceptor please contact Neville Registrars on 0121 585 1131 or if phoning outside the UK +44 (0) 121 585 1131. 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 a.m. – 5 p.m. (London Time), Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.
 - (iv) If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11 a.m. on 28 September 2021, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Receiving Agent may, at its discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the applicant (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 Basic Entitlements and Excess CREST Open Offer Entitlements in CREST

If you hold your Basic Entitlements and Excess CREST Open Offer Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Basic Entitlements and Excess CREST Open Offer Entitlements 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 instruction 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 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 Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer 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 as to the identity of the person or persons on whose behalf the application is made.

6. Overseas Shareholders

The making of the Open Offer to persons resident in, or who are citizens of, or who have a registered address in, countries other than the UK may be affected by the law or regulatory requirements of the relevant jurisdiction. 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 Application Form 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 UK or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the UK 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 requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer.

No action has been or will be taken by the Company or Peel Hunt or finnCap or any other person to permit a public offering or distribution of this document (or any other offering or publicity materials or application forms) relating to the Open Offer Shares) in any jurisdiction where action for that purpose may be required, other than in the UK.

Receipt of this document and/or an Application Form and/or a credit of Basic Entitlements or Excess CREST 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 Application Form must be treated as sent for information only and should not be copied or redistributed.

Due to restrictions under the securities laws of the Restricted Jurisdictions and certain commercial considerations, Application Forms will not be sent to, and neither Basic Entitlements nor Excess CREST Open Offer Entitlements will be credited to stock accounts in CREST of, Excluded Overseas Shareholders or their agents or intermediaries, except where the Company is satisfied, at its sole and absolute discretion, that such action would not result in the contravention of any registration or other legal requirement in the relevant jurisdiction.

No person receiving a copy of this document and/or an Application Form and/or a credit of Basic Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST in any territory other than the UK may treat the same as constituting an invitation or offer to him, nor should he in any event use any such Application Form and/or credit of Basic Entitlements or Excess CREST 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 and such Application Form and/or credit of Basic Entitlements or Excess CREST 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 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 for any such person) outside the UK wishing to apply for Open Offer Shares under the Open Offer to satisfy himself 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 Peel Hunt nor finnCap (nor any of their respective representatives) is making any representation to any offeree or purchaser of Open Offer Shares regarding the legality of an investment in the Open Offer 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 Application Form and/or a credit of Basic Entitlements or Excess CREST 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 Basic Entitlements or Excess CREST 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 Application Form and/or a credit of Basic Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his custodian, agent, nominee or trustee, he must not seek to apply for Open Offer Shares unless the Company, Peel Hunt and finnCap 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 Application Form and/or transfers Basic Entitlements or Excess CREST 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 II and specifically the contents of this paragraph 6.

Subject to paragraphs 6.2 to 6.8 below, any person (including, without limitation, custodians, agents, nominees and trustees for any such person) outside the UK wishing to apply for Open Offer Shares must satisfy himself as to the full observance of the applicable laws of any relevant territory, including obtaining any requisite governmental or other consents, observing any other requisite formalities and pay any issue, transfer or other taxes due in such territories.

The Company reserves the right to treat as invalid any application or purported application for Open Offer Shares that appears to the Company or its agents to have been executed, effected or despatched by an Excluded Overseas Shareholder or on behalf of such a person by their agent or intermediary 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 of Open Offer Shares or, in the case of a credit of Basic Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, to a CREST member whose registered address would be, in a Restricted Jurisdiction or any other jurisdiction outside the UK in which it would be unlawful to deliver such share certificates or make such a credit.

The attention of Overseas Shareholders is drawn to paragraphs 6.2 to 6.8 below.

Notwithstanding any other provision of this document or the Application Form, the Company reserves the right to permit any Qualifying Shareholder who is an Excluded Overseas Shareholder to apply for Open Offer Shares 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 Open Offer Shares should note that payment must be made in sterling denominated cheques or bankers' drafts or where such an Overseas Shareholder is a Qualifying CREST Shareholder, through CREST.

Due to restrictions under the securities laws of the Restricted Jurisdictions and subject to certain exceptions, Excluded Overseas Shareholders will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Basic Entitlements or Excess CREST Open Offer Entitlements.

The Open Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction 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 Restricted Jurisdiction except pursuant to an applicable exemption.

No public offer of Open Offer Shares is being made by virtue of this document or the Application Forms into any Restricted Jurisdiction. Receipt of this document and/or an Application Form and/or a credit of a Basic Entitlement or an Excess CREST Open Offer Entitlement 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 Application Form must be treated as sent for information only and should not be copied or redistributed.

6.2 United States

Subject to certain exceptions, this document is intended for use only in connection with offers of Open Offer Shares outside the United States and neither this document nor any Application Form is to be sent or given to any person within the United States. The Open Offer Shares offered hereby are not being registered under the US Securities Act, for the purposes of sales outside of the United States.

This document may not be transmitted in or into the United States and may not be used to make offers or sales to US holders of Existing Ordinary Shares.

Subject to certain exceptions, the Open Offer Shares will be distributed, offered or sold, as the case may be, outside the United States in offshore transactions within the meaning of, and in accordance with, Regulation S under the US Securities Act.

Each person to which the Open Offer Shares are distributed, offered or sold outside the United States will be deemed by its subscription for the Open Offer Shares to have represented and agreed, on its behalf and on behalf of any investor accounts for which it is subscribing the Open Offer Shares, as the case may be, that:

- (i) it is acquiring the Open Offer Shares from the Company in an “offshore transaction” as defined in Regulation S under the US Securities Act; and
- (ii) the Open Offer Shares have not been offered to it by the Company or Peel Hunt and finnCap or any of their affiliates by means of any “directed selling efforts” as defined in Regulation S under the US Securities Act.

Each subscriber acknowledges that the Company, Peel Hunt and finnCap will rely upon the truth and accuracy of the foregoing representations and agreements, and agrees that if any of the representations and agreements deemed to have been made by such subscriber by its subscription for the Open Offer Shares are no longer accurate, it shall promptly notify the Company, Peel Hunt and finnCap. If such subscriber is subscribing for the Open Offer Shares as a fiduciary or agent for one or more investor accounts, each subscriber represents that it has sole investment discretion with respect to each such account and full power to make the foregoing representations and agreements on behalf of each such account.

Each subscriber acknowledges that it will not resell the Open Offer Shares without registration or an available exemption or safe harbour from registration under the US Securities Act.

6.3 Canada

This document is not, and is not to be construed as, a prospectus, an advertisement or a public offering of these securities in Canada. No securities commission or similar regulatory authority in

Canada has reviewed or in any way passed upon this document or the merits of the Open Offer Shares, and any representation to the contrary is an offence.

In addition, the relevant exemptions are not being obtained from the appropriate provincial authorities in Canada. Accordingly, the Open Offer Shares are not being offered for subscription by persons resident in Canada or any territory or possessions thereof. Applications from any Canadian Person who appears to be or whom the Company has reason to believe to be so resident or the agent of any person so resident will be deemed to be invalid. No Application Form will be sent to and no Basic Entitlements or Excess CREST Open Offer Entitlements will be credited to a stock account in CREST of any Shareholder in the Company whose registered address is in Canada. If any Application Form is received by any Shareholder in the Company whose registered address is elsewhere but who is, in fact, a Canadian Person or the agent of a Canadian Person so resident, he should not apply under the Open Offer.

For the purposes of this paragraph 6.3, "Canadian Person" means a citizen or resident of Canada, including the estate of any such person or any corporation, partnership or other entity created or organised under the laws of Canada or any political sub-division thereof.

6.4 Australia

Neither this document nor the Application Form has been lodged with, or registered by, the Australian Securities and Investments Commission. A person may not: (i) directly or indirectly offer for subscription or purchase or issue an invitation to subscribe for or buy or sell, the Open Offer Shares; or (ii) distribute any draft or definitive document in relation to any such offer, invitation or sale, in Australia or to any resident of Australia (including corporations and other entities organised under the laws of Australia but not including a permanent establishment of such a corporation or entity located outside Australia). Accordingly, no Application Form will be issued to, and no Basic Entitlements or Excess CREST Open Offer Entitlements will be credited to a CREST stock account of, Shareholders in the Company with registered addresses in, or to residents of, Australia. For the avoidance of doubt, the Investor, (which is an entity incorporated in, and with a significant presence in, Australia), will not be participating in the Open Offer.

6.5 Other Restricted Jurisdictions

Due to restrictions under the securities laws of the Restricted Jurisdictions and subject to certain exemptions, Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Basic Entitlements or Excess CREST Open Offer Entitlements. The Open Offer shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction 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 Restricted Jurisdiction except pursuant to an applicable exemption.

No offer of Open Offer Shares is being made by virtue of this document or the Application Form into any Restricted Jurisdiction.

6.6 Other overseas territories

Application Forms will be sent to Qualifying Non-CREST Shareholders and Basic Entitlements or Excess CREST Open Offer Entitlements will be credited to the stock account in CREST of Qualifying CREST Shareholders. Qualifying Shareholders in jurisdictions other than the Restricted Jurisdictions may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and the Application Form. Such Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the UK should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Open Offer Shares.

6.7 Representations and warranties relating to Overseas Shareholders

(a) Qualifying Non-CE Shareholders

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company, Peel Hunt, finnCap and the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's use of the 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 Open Offer Shares from within any Restricted Jurisdiction;
- (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares or to use the 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 Restricted Jurisdiction (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 Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer 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 Open Offer Shares comprised in an Application Form if it:
 - (A) appears to the Company or its agents to have been executed, effected or despatched from a Restricted Jurisdiction 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
 - (B) provides an address in a Restricted Jurisdiction for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the UK in which it would be unlawful to deliver such share certificates); or
 - (C) purports to exclude the representation and warranty required by this sub-paragraph 6.7(a).

(b) Qualifying CE Shareholders

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part II represents and warrants to the Company, Peel Hunt and finnCap 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) neither it nor its client is within any Restricted Jurisdiction; (ii) neither it nor its client is in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares; (iii) it is not accepting on a non-discretionary basis for a person located within any Restricted Jurisdiction or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) neither it nor its client is acquiring any Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into any of the above territories.

6.8 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, in its absolute discretion with the prior consent of Peel Hunt and finnCap. 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 Application Form and, in the event of more than

one person executing an 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 Open Offer is expected to be announced on 29 September 2021. Application will be made to AIM for admission to trading of the New Ordinary Shares. It is expected that, subject to the Placing and the Open Offer becoming unconditional in all respects (save for Admission), Admission will become effective and that dealings in such number of Open Offer Shares subscribed for, fully paid, will commence at 8.00 a.m. on 1 October 2021.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the New Ordinary Shares. All such New Ordinary Shares, when issued and fully paid, may be held and transferred by means of CREST.

Basic Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11 a.m. on 28 September 2021 (being the latest practicable date for applications under the Open Offer). If the conditions to the Open Offer described above are satisfied, the Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for the Open Offer 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 Open Offer Shares with effect from Admission (expected to be on 1 October 2021). 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 Application Form instead of crediting the relevant stock account with Basic Entitlements and Excess CREST Open Offer Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an 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 Application Form, share certificates in respect of the Open Offer Shares validly applied for are expected to be dispatched by post by 8 October 2021. No temporary documents of title will be issued and, pending the issue of definitive certificates transfers will be certified against the register of members 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 of this Part II, and the Application Form.

The result of the Open Offer will be announced and made public through an announcement on a Regulatory Information Service as soon as reasonably practicable after the results are known.

9. Times and dates

The Company shall, in its discretion, and after consultation with its financial and legal advisers, be entitled to amend the dates on which 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 make an announcement on a Regulatory Information Service.

10. Taxation

Certain statements regarding United Kingdom taxation in respect of the Open Offer Shares and the Open Offer are set out in Part IV 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. Governing law and jurisdiction

The terms and conditions of the Open Offer as set out in this document, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, the laws of England. The courts of England 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 Application Form including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer, this document or the Application Form. By taking up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and, where applicable, the Application Form Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England 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.

12. Further Information

Your attention is drawn to the further information set out in this document and also to the terms, conditions and other information printed on any Application Form.

PART III

RISK FACTORS

Potential investors should carefully consider the risks described below before making a decision to invest in the Company. This Part III contains what the Directors believe to be certain of the principal risk factors associated with an investment in the Company. 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 Company'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 Company 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 Company.

This document contains forward-looking statements that involve risks and uncertainties. The Company'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 Company 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.

GENERAL RISKS

An investment in the Company is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss that may result from the investment. A prospective investor should consider with care whether an investment in the Company is suitable for him or her in the light of his or her personal circumstances and the financial resources available to him or her.

Investment in the Company should not be regarded as short-term in nature. There can be no guarantee that any appreciation in the value of the Ordinary Shares will occur or that the commercial objectives of the Company will be achieved. Investors may not get back the full amount initially invested.

The prices of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to future performance.

RISKS RELATING TO THE BUSINESS AND OPERATIONS OF THE GROUP

Impact of Brexit

The Group faces risks in relation to the political and economic instability associated with the UK leaving the European Union, the end of the transition period as well as potential changes to the legal framework applicable to its business along with consequential risks arising from the removal of the free movement rights both in terms of people, services and goods. The UK may require new standards to the prevailing CE/UKCA standards requiring additional regulatory approval of the Group's products before they can be offered for sale in the UK.

It could also potentially make it more difficult for the Group to operate its business in the EU as a result of the increase in tariffs or taxes and/or more burdensome regulations being imposed on UK companies (such as changes in applicable legislation affecting the regulatory pathway of the Group's products, both in Europe and in the UK). This could restrict the Group's future prospects and adversely impact its financial condition.

COVID-19

There is still significant uncertainty worldwide in relation to the social and economic impact from the spread of COVID-19 and the various national responses. National and international travel restrictions and social distancing measures could prevent or restrict the Group's personnel from visiting countries where restrictions are in place.

To the extent medical resources at national and local levels continue to be focused on mitigating the impact of COVID-19, this could impact on the assessment and utilisation of the Group's products.

Should Group personnel become infected or show symptoms, they could be required to self-isolate and/or take extended time off work.

Any continued or reintroduced national social distancing responses including those requiring alternative working methods (i.e. home-working) may not be suitable for all Group employees.

Regulatory and reimbursement

The Group's products are subject to regulation in every jurisdiction in which they are sold. Further, the Group is in the process of obtaining approvals and/or accreditations for certain of its products. The Group's strategy relies on regulatory approval of its products and availability of funds from Government and other large organisations to fund diagnostics and/or drug treatments.

Changes in either the content or timetable of regulatory requirements or the process for obtaining approvals and/or accreditations and changes or restrictions in the availability of Government or other funding could adversely affect the timing or level of related product sales. Should it be the case that the Group's products become subject to further regulatory or other restrictions, then the Group may incur further research and/or development costs, could be required to apply for regulatory approvals, that could have a material adverse effect on its financial position or prospects, or may not meet new approval/accreditation standards. If the availability of Government or other funding is restricted it could have a material adverse effect on the development or sale of products and could have a material adverse effect on the Group's financial position or prospects.

Financial position

The Group has historically been loss making and its future capital needs are uncertain and may necessitate the need to raise additional funds in the future until it builds a portfolio of profitable diagnostic assays. There can be no certainty when, or if, profitability or positive operating cash flow will be achieved. Further, in the longer term, the Group cannot be certain of its future financing needs or that suitable financing will be available in the required amounts or on acceptable terms. The Group's future capital needs, and other business reasons at that time, may require the Company to issue additional equity or obtain a credit facility. If additional equity or equity-linked securities were to be issued this may result in the dilution of existing shareholders' holdings. The incurrence of indebtedness would result in debt service obligations and could result in operating and financing covenants that would restrict the Group's operations. The failure to raise such funds or sufficient funds means the Group could continue to have going concern challenges until it builds a portfolio of profitable diagnostic assays.

Products still in development

Any of the Group's products which are in development or subject to testing are subject to risk inherent in product development. The Company's products (Genedrive CO 1 ID it the and the Genedrive® MT-RNR1 System) are still in development and therefore subject to risk inherent in product development. For example, the Genedrive® COV19 ID Kit has been tested to date using contrived samples and with minimal testing on clinical samples. There is a risk that the product does not perform on clinical samples in the same way as on contrived samples.

During the development process products may fail validation or not perform to the specifications intended, or not achieve the desired level of market penetration or sales. If the prevalence of the relevant disease reduces for any reason, it could have a material adverse effect on the financial prospects of the products and the Company.

Competitors

Competitors may develop products which have the same or similar functionality and characteristics and target similar health challenges which therefore compete with the Group's products. Further other diagnostic technologies and products have been developed since COVID-19 emerged which could be more effective and cheaper than the Company's products. Loss of first-to-market advantage or reduction in market share could have a material adverse effect on the Group's financial position or prospects.

Dependency on distribution partners for revenue generation

The Group uses, in certain jurisdictions, an indirect sales model whereby distributors, agents and other channel partners sell the Company's products. There are risks in this model because the Group does not control the pricing of its products and services and relies on the skills of partners' sales teams to generate revenue. The Group cannot ensure that it will be able to retain its distributors, renew existing distribution agreements on commercially favourable terms, enter into new distribution agreements for target geographical markets or that distribution partners will dedicate the resources necessary for the commercial success of the Group's products.

Dependency on key suppliers

The manufacture of the Group's products involves a number of raw materials and components, some of which may only be available from a limited number of third parties. Failure by a third party to deliver raw materials or components or a third party ceasing to manufacture components, competition for or other restriction on the availability or timing or supplies could result in delays in the manufacture of products or the need to redesign certain elements. Such an event could have an adverse impact on the revenues and profitability of the Group and its ability to manufacture certain products and diagnostic assays.

Direct selling model

The Group's products to date have largely been marketed via an indirect sales model whereby distributors, agents and other channel partners sell the Company's products in certain jurisdictions. The Company has limited experience in establishing and operating successfully a direct sales team. Any delay in recruiting, training or otherwise establishing an effective direct sale team for any of the Company's products, including for Genedrive[®] MT-RNR1 Kit, could have an adverse impact on the amount and timing of generating revenues.

Management of the Group's business strategy

There can be no certainty that the Group will be able to implement successfully its stated strategy. The ability of the Group to implement its strategy in rapidly evolving and competitive markets will require effective management planning and operational controls.

Medical resources at national and local levels will be focused on mitigating the impact of COVID-19 which could impact on the assessment and utilisation of the Group's products.

If the Company is unable to implement its business strategy it could have a material adverse effect on its financial position or prospects

Dependence on key executives and personnel

The Group's development and prospects are dependent upon training and retaining qualified professional, scientific and technical operating staff. Whilst the Group has entered into contractual arrangements with these individuals with the aim of securing the services of each of them, retention of these services cannot be guaranteed and the loss of the services of any of the Directors, senior management or key personnel may have a material adverse effect on the Group and its commercial and financial performance, and damage the value of an investment in the Ordinary Shares.

Ability to recruit and retain skilled personnel

The ability to continue to attract and retain employees with the appropriate expertise and skills cannot be guaranteed. Finding and hiring any additional personnel and replacements could be costly and might require the Group to grant significant equity awards or other incentive compensation, which could

adversely impact its financial results, and there can be no assurance that the Group will have sufficient financial resources. Effective product development and innovation, upon which the Group's success is dependent, is in turn dependent upon attracting and retaining talented technical and engineering personnel, who represent a significant asset and serve as the source of the Group's technological and product innovations. In addition, to expand the Group's customer base and increase sales, the Group will need to continue to hire qualified sales personnel. If the Group is unable to hire, train and retain such personnel in a timely manner, the development and introduction of the Group's products could be delayed and its ability to sell its products and otherwise to grow its business will be impaired and the delay and inability may have a detrimental effect upon the performance of the Group.

RISKS RELATING TO THE ORDINARY SHARES

The market of the Ordinary Shares may fluctuate significantly

The market price of the Ordinary Shares may, in addition to being affected by the Company's actual or forecast operating results, fluctuate significantly as a result of factors beyond the Company's control, including among others:

- (a) changes in securities analysts' recommendations or the failure to meet the expectations of securities analysts;
- (b) fluctuations in stock market prices and volumes, and general market volatility; and
- (c) the introduction of new legislation affecting pubs, restaurants and the leisure industry.

Any or all of these events could result in a material decline in the market price of the Ordinary Shares, regardless of the actual performance of the Group. Shareholders should be aware that the value of the Ordinary Shares may go down as well as up and may not reflect the underlying asset values or prospects of the Company.

Future issues of Ordinary Shares will result in immediate dilution

The Group may require additional capital in the future which may not be available to it. If available, future financings to provide this capital may dilute Shareholders' proportionate ownership in the Company. The Company may raise capital in the future through public or private equity financings or by raising debt securities convertible into Ordinary Shares, or rights to acquire these securities. Any such issues may exclude the pre-emption rights pertaining to the then outstanding shares. If the Company raises significant amounts of capital by these or other means, it could cause dilution for the Company's existing Shareholders. Moreover, the further issue of Ordinary Shares could have a negative impact on and/or increase the volatility of the market price of the Ordinary Shares.

Furthermore, the issue of additional Ordinary Shares may be on more favourable terms than the Fundraising.

The Company may also issue further Ordinary Shares, or create further options over Ordinary Shares, as part of its employee remuneration policy, which could in aggregate create a dilution in the value of the Ordinary Shares and the proportion of the Company's share capital in which investors are interested.

In addition, the issue of additional Ordinary Shares by the Company, or the possibility of such issue or exercise, may cause the market price of the Ordinary Shares to decline and may make it more difficult for Shareholders to sell Ordinary Shares at a desirable time or price.

The proposed issue of the New Offer Shares in the Placing and Open Offer will also dilute existing shareholdings of Shareholders. Qualifying Shareholders will be able to mitigate the extent of this dilution by applying for Shares in the Open Offer.

Future sale of Ordinary Shares

The Company is unable to predict when and if substantial numbers of Ordinary Shares will be sold in the open market. Any such sales, or the perception that such sales might occur, could result in a material fall in the market price of the Ordinary Shares. The ability of an investor to sell Ordinary Shares will also depend on there being a willing buyer for them at an acceptable price. Consequently, it might

be difficult for an investor to realise his/her investment in the Group and he/she may lose all of his/her investment.

Risk relating to Open Offer entitlements

If a Shareholder does not take up his Open Offer Entitlement, their interest in the Company will be diluted. Shareholders' proportionate ownership and voting interest in the Company will be reduced pursuant to the Placing and Open Offer. In addition, to the extent that Shareholders do not take up their Basic Entitlement under the Open Offer, their proportionate ownership and voting interest in the Company will be further reduced.

Investment in publicly quoted securities

The New Ordinary Shares will be traded on AIM and no application is being made for the admission of the Ordinary Shares to the Official List. 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 for listed securities. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached rather than for larger or more established companies. 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 authorised under FSMA who specialises in advising on the acquisition of shares and other securities.

An investment in Ordinary Shares traded on AIM may be difficult to realise. Although AIM has been in existence since June 1995, 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.

Potentially volatile share price and liquidity

An investment in a share which is traded on AIM, such as the Ordinary Shares, may be difficult to realise and carries a high degree of risk. The ability of an investor to sell Ordinary Shares will depend on there being a willing buyer for them at an acceptable price. The Ordinary Shares may be illiquid and, accordingly, an investor may find it difficult to sell Ordinary Shares, either at all or at an acceptable price. Consequently, it might be difficult for an investor to realise his/her investment in the Group and he/she may lose all of his/her investment.

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 Company and its operations and some which affect quoted companies generally. These factors could include the performance of the Company, large purchases or sales of Ordinary Shares, legislative changes and general, economic, political or regulatory conditions.

No guarantee that the Ordinary Shares will continue to be traded on AIM

The Company cannot assure investors that the Ordinary Shares will always continue to be traded on AIM or on any other exchange. If such trading were to cease, certain investors may decide to sell their shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Company decides to obtain a listing on another exchange in addition or as an alternative to AIM, the level of liquidity of the Ordinary Shares traded could decline.

Forward-looking Statements

This document contains forward-looking statements that involve risks and uncertainties. All statements, other than those of historical fact, contained in this document are forward-looking statements. The Group's actual results could differ materially from those anticipated in the forward-looking statements as a result of many factors. Investors are urged to read this entire document carefully before making an investment decision.

The forward-looking statements in this document are based on the relevant Directors' beliefs and assumptions and information only as of the date of this document, and the forward-looking events discussed in this document might not occur. Therefore, investors should not place any reliance on any forward-looking statements. Except as required by law or regulation, the Directors undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future earnings or otherwise.

It should be noted that the risk factors listed above are not intended to be exhaustive and do not necessarily comprise all of the risks to which the Group is or may be exposed or all those associated with an investment in the Group. In particular, the Group's performance is likely to be affected by changes in market and/or economic conditions, political, judicial, and administrative factors and in legal, accounting, regulatory and tax requirements in the areas in which it operates and holds its major assets. There may be additional risks and uncertainties that the Directors do not currently consider to be material or of which they are currently unaware, which may also have an adverse effect upon the Group.

PART IV

TAXATION

The following information is given in summary form and as a general guide only and is based on tax legislation and, where relevant, current HM Revenue & Customs practice, at the date of this document. Such legislation and practice is liable to change (in some cases with retrospective effect). The information relates to the tax position of holders of New Ordinary Shares in the capital of the Company who are resident and domiciled in the United Kingdom for tax purposes.

The statements below do not constitute advice to any Shareholder or potential investor on his or her personal tax position, and may not apply to certain classes of investor (such persons carrying on a trade in the United Kingdom or holding the shares as trustees, or United Kingdom insurance companies). This summary is not a complete and exhaustive analysis of all the potential UK tax consequences for holders of New Ordinary Shares. Any Shareholder or potential investor should obtain advice from his or her own investment or taxation adviser before subscribing for New Ordinary Shares.

1. Taxation of dividends

1.1 Income tax

Under current United Kingdom taxation legislation, no withholding tax will be deducted from dividends paid by the Company.

Individual Shareholders resident in the UK receiving dividends from the Company may be liable to income tax on such dividends, subject to any applicable reliefs and exemptions. In the tax year ending 5 April 2022, no income tax is payable in respect of the first £2,000 of dividend income received from all sources in the tax year (although such income would still count towards the basic, higher and additional rate thresholds). For dividends received in excess of £2,000 in a tax year, the dividend income would be taxable at 7.5 per cent., 32.5 per cent. and 38.1 per cent. for basic rate, higher rate and additional rate taxpayers, respectively.

1.2 Corporation tax

With certain exceptions for traders in securities, a holder of New Ordinary Shares that is a company resident (for taxation purposes) in the United Kingdom and receives a dividend paid by the Company, should generally not be subject to tax in respect of the dividend.

2. Taxation of chargeable gains

(a) Under current HM Revenue & Customs practice, the subscription by a Shareholder for shares under the Open Offer up to his minimum entitlement is expected to be treated as a reorganisation of share capital for the purposes of the UK taxation of chargeable gains. To the extent that it is so treated, a Shareholder should not be treated as disposing of the shares already held by him in the Company; the shares issued should be treated as acquired at the same time as the Existing Ordinary Shares held by that Shareholder in respect of which the new shares were offered, and the cost of acquisition of the new shares should be pooled with the expenditure allowable on the relevant Existing Ordinary Shares for the purposes of determining the amount of any chargeable gain arising on a subsequent disposal. Any subscription by a shareholder for shares under the Open Offer in excess of his minimum entitlement should be treated as a new acquisition outside the scope of the rules on reorganisations of share capital. As a matter of UK tax law, the acquisition of Open Offer Shares may not, strictly speaking, constitute a reorganisation of share capital, and there is no guarantee that the HM Revenue & Customs practice mentioned above will be followed, particularly where an open offer is not made to all shareholders.

(b) A UK resident individual shareholder who disposes of, or who is deemed to dispose of, their shares in the Company may be liable to capital gains tax in relation thereto at a flat rate of either 10 or 20 per cent. (in the tax year ending 5 April 2022), of any chargeable gain thereby realised (after taking into account any applicable reliefs and exemptions). To the extent that any chargeable gains or part thereof, aggregated with taxable income arising in a tax year, exceed

the upper limit of the basic rate income tax band, capital gains tax will be charged at 20 per cent. (in the tax year ending 5 April 2022). In computing the gain, the Shareholder should be entitled to deduct from proceeds the cost to him of the shares (together with incidental costs of acquisition and disposal).

- (c) A UK resident corporate shareholder disposing of its shares in the Company may be liable to corporation tax on chargeable gains in relation thereto at the usual rates of corporation tax applicable to it (currently 19 per cent.). In computing the chargeable gain liable to corporation tax, the Shareholder should be entitled to deduct from the disposal proceeds, the cost to it of the shares, together with incidental costs of acquisition, as increased by indexation allowance, and disposal costs.

3. Stamp Duty and Stamp Duty Reserve Tax

No United Kingdom stamp duty should be payable on the issue by the Company of New Ordinary Shares. No stamp duty or stamp duty reserve tax should be payable on transactions in shares traded on AIM where the shares are not also listed on a recognised stock exchange.

Shareholders and or potential investors 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 UK, should immediately consult a suitable professional adviser. Any person who is in any doubt as to his or her tax position or who may be subject to tax in any jurisdiction other than the United Kingdom should consult his or her own professional adviser.

PART V

QUESTIONS AND ANSWERS ABOUT THE OPEN OFFER

The questions and answers set out in this Part V are intended to be in general terms only and, as such, you should read Part II of this document for full details of what action to take. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, fund manager, solicitor, accountant or other appropriate independent financial adviser, who is duly authorised under the FSMA if you are in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

This Part V deals with general questions relating to the Open Offer and more specific questions relating principally to persons resident in the United Kingdom who hold their Existing Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 6 of Part II of this document and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Basic Entitlements. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part II of this document for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor. If you do not know whether your Existing Ordinary Shares are in certificated or uncertificated form please call the Shareholder helpline on 0121 8 11 1 or (0) 121 8 11 1 (if calling from outside the) between a.m. and p.m. (London time) Monday to Friday. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the will be charged at the applicable international rate. Please note that for legal reasons the Shareholder helpline is only able to provide information contained in this document and information relating to the Company's register of members and is unable to give advice on the merits of the Open Offer or to provide legal, business, financial, tax or investment advice.

The contents of this document should not be construed as legal, business, accounting, tax, investment or other professional advice. Each prospective investor should consult his/her or its own appropriate professional advisers for advice.

1. What is an Open Offer

An open offer is a way for companies to raise money. Companies usually do this by giving their existing shareholders a right to acquire further shares at a fixed price in proportion to their existing shareholdings. In this particular instance, shareholders will also be offered the opportunity to apply for additional shares in excess of their entitlement to the extent that other Qualifying Shareholders do not take up their entitlements in full.

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire up to an aggregate of 2 Open Offer Shares for every 7 Existing Ordinary Shares held at a price of 25 pence per share. If you hold Existing Ordinary Shares on the Record Date or have a bona fide market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address or located in the United States, or any other Restricted Jurisdiction, you will be entitled to buy Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 2 Open Offer Shares for every 7 Existing Ordinary Shares held by Qualifying Shareholders on the Record Date. If your entitlement to Open Offer Shares is not a whole number, you will not be entitled to buy a fraction of an Open Offer Share and your entitlement will be rounded down to the nearest whole number.

The Excess Application Facility allows Qualifying Shareholders to apply for Open Offer Shares in excess of their Basic Entitlements, subject always to the 29.9 per cent. Aggregate Limit. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Basic Entitlements, such applications may be allocated in such manner as the Directors may (in consultation with Peel Hunt and finnCap) determine, in their absolute discretion, and no assurance can be given that any applications under the Excess Application Facility by Qualifying Shareholders will be met in full or in part or at all.

Unlike in a rights issue, Application Forms are not negotiable documents and neither they nor the Basic Entitlements can themselves be traded. Shareholders will not be able to apply for any New Ordinary Shares which are the subject of the Placing.

2. I hold my Existing Ordinary Shares in certificated form. How do I know I am eligible to participate in the Open Offer

If you receive an Application Form and, subject to certain exceptions, are not a holder with a registered address or located in the United States or any other Restricted Jurisdiction, then you should be eligible to participate in the Open Offer as long as you have not sold all of your Existing Ordinary Shares before 8.00 a.m. on 14 September 2021 (the time when the Existing Ordinary Shares are expected to be marked "ex-entitlement" by the London Stock Exchange).

3. I hold my Existing Ordinary Shares in certificated form. How do I know how many Open Offer Shares I am entitled to take up

If you hold your Existing Ordinary Shares in certificated form and, subject to certain exceptions, do not have a registered address and are not located in the United States or any other Restricted Jurisdiction, you will be sent an Application Form that shows:

- (i) how many Existing Ordinary Shares you held at the close of business on the Record Date;
- (ii) how many Open Offer Shares are comprised in your Basic Entitlement; and
- (iii) how much you need to pay if you want to take up your right to buy all your entitlement to Open Offer Shares

Subject to certain exceptions, if you have a registered address in the United States or any other Restricted Jurisdiction, you will not receive an Application Form.

If you would like to apply for any of or all of the Open Offer Shares comprised in your Basic Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Completed Application Forms should be returned, along with a cheque or banker's draft written in black ink drawn in the appropriate form, by post to Neville Registrars, Neville House, Steelpark Road, Halesowen, B62 8HD so as to be received by the Receiving Agent by no later than 11 a.m. on 28 September 2021, after which time Application Forms will no longer be valid.

4. I hold my Existing Ordinary Shares in certificated form and am eligible to receive an Application Form. What are my choices in relation to the Open Offer

- 4.1 If you do not want to participate in the Open Offer

If you do not want to take up the Open Offer Shares to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. You will also not receive any money when the Open Offer Shares you could have taken up are sold, as would happen under a rights issue. You cannot sell your Application Form or your Basic Entitlement to anyone else. If you do not return your Application Form subscribing for the Open Offer Shares to which you are entitled by 11 a.m. on 28 September 2021, the Company has made arrangements under which the Company has agreed to issue the Open Offer Shares to other Qualifying Shareholders under the Excess Application Facility. If you do not take up your Basic Entitlement then following the issue of the Open Offer Shares pursuant to the Open Offer, your interest in the Company will be significantly diluted. Even if a Qualifying Shareholder subscribes for the basic entitlement under the Open Offer, their economic interest would be proportionately diluted by the issue of New Ordinary Shares pursuant to the Placing.

- 4.2 If you want to take up some but not all of your Basic Entitlement

If you want to take up some but not all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares you want to take up in Boxes 2, 4 and 5 of your Application Form. For example, if you are entitled to take up 50 shares but you only want to take up 25 shares, then you should write '25' in Box 2 and '25' in Box 4. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, '25') by 25 pence, which is the price of each Open Offer Share (giving

you an amount of £12.50 in this example). You should write this amount in Box 5, rounding down to the nearest whole pence and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form (ensuring that all joint holders sign (if applicable), together with a cheque or banker's draft for that amount, by post to Neville Registrars, Neville House, Steelpark Road, Halesowen, B62 8HD so as to be received by the Receiving Agent by no later than 11 a.m. on 28 September 2021, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

Completed Application Forms should be returned with a cheque or banker's draft drawn in sterling on a bank or building society in the UK which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by any of those companies or committees. Such cheques or banker's drafts must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on the application.

Cheques should be drawn on a personal account in respect of which the Qualifying Shareholder has sole or joint title to the funds and should be made payable to "Neville Registrars Limited re: Clients Account". Cheques drawn on a non-UK bank will be rejected. Third party cheques may not be accepted with the exception of building society cheques where the building society or bank has inserted the full name of the account holder and have either added the building society or bank branch stamp. The name of the account holder should be the same as that shown on the Application Form. Payments via CHAPS, BACS or electronic transfer will not be accepted. Post-dated cheques will not be accepted.

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you at your own risk by no later than 8 October 2021.

4.3 If you want to take up all of your Basic Entitlement

If you want to take up all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares comprised in your Basic Entitlement (as indicated in Box 7 of the Application Form) in Box 2 and 4 of your Application Form. For example, if you are entitled to take up 50 shares and want to take up all 50 shares, then you should write '50' in Box 2 and '50' in Box 4. The amount you need to pay for the Open Offer Shares is set out in Box 8. You should write this amount in Box 5 and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form (ensuring that all joint holders sign (if applicable)), together with your cheque or banker's draft for the amount (as indicated in Box 8 of your Application Form), payable to "Neville Registrars Limited re: Clients Account" and crossed "A/C Payee Only", by post to Neville Registrars, Neville House, Steelpark Road, Halesowen, B62 8HD so as to be received by the Receiving Agent by no later than 11 a.m. on 28 September 2021, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

Completed Application Forms should be returned with a cheque or banker's draft written in black ink and drawn in sterling on a bank or building society in the UK which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by any of those companies. Such cheques or banker's drafts must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on the application.

Cheques should be drawn on a personal account in respect of which the Qualifying Shareholder has sole or joint title to the funds and should be made payable to "Neville Registrars Limited: Re Clients Account" and crossed "A/C Payee Only". Third party cheques (other than building society cheques or banker's drafts where the building society or bank has confirmed that the relevant Qualifying Shareholder has title to the underlying funds by completing the account name on the back of the cheque or draft and adding the branch stamp) may not be accepted. Payments via CHAPS, BACS or electronic transfer will not be accepted. Post-dated cheques will not be accepted.

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you at your own risk by no later than 8 October 2021.

4.4 If you want to apply for more than your Basic Entitlement

Provided you have agreed to take up your Basic Entitlement in full, you can apply for further Open Offer Shares under the Excess Application Facility. You should write the number of Open Offer Shares comprised in your Basic Entitlement (as indicated in Box 7 of the Application Form) in Box 2 and write the number of additional Open Offer Shares for which you would like to apply in Box 3. You should then add the totals in Boxes 2 and 3 and insert the total number of Open Offer Shares for which you would like to apply in Box 4. For example, if you have a Basic Entitlement for 50 Open Offer Shares but you want to apply for 75 Open Offer Shares in total, then you should write '50' in Box 2, '25' in Box 3 and '75' in Box 4. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, '75') by 25 pence, which is the price of each Open Offer Share (giving you an amount of £18.75 in this example). You should write this amount in Box 5, rounding down to the nearest whole pence. You should then return your Application Form (ensuring that all joint holders sign (if applicable) by post to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD so as to be received by the Receiving Agent by no later than 11 a.m. on 28 September 2021. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Basic Entitlements, such applications may be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that any applications under the Excess Application Facility by Qualifying Shareholders will be met in full or in part or at all.

Completed Application Forms should be returned with a cheque or banker's draft written in black ink and be drawn in sterling on a bank or building society in the UK which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by any of those companies. Such cheques or banker's drafts must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on the application.

Cheques should be drawn on a personal account in respect of which the Qualifying Shareholder has sole or joint title to the funds and should be made payable to "Neville Registrars Limited re: Clients Account" and crossed "A/C Payee Only". Cheques drawn on a non-UK bank will be rejected. Third party cheques may not be accepted with the exception of building society cheques where the building society or bank has inserted the full name of the account holder and have either added the building society or bank branch stamp. The name of the account holder should be the same as that shown on the Application Form. Payments via CHAPS, BACS or electronic transfer will not be accepted. Post-dated cheques will not be accepted.

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you at your own risk by no later than 8 October 2021.

5. I hold my Existing Ordinary Shares in uncertificated form in CREST. What do I need to do in relation to the Open Offer

CREST members should follow the instructions set out in Part II of this document. Persons who hold Existing Ordinary Shares through a CREST member should be informed by the CREST member through which they hold their Existing Ordinary Shares of (i) the number of Open Offer Shares which they are entitled to acquire under their Basic Entitlement and (ii) how to apply for Open Offer Shares in excess of their Basic Entitlements under the Excess Application Facility provided they choose to take up their Basic Entitlement in full and should contact them should they not receive this information.

6. I acquired my Existing Ordinary Shares prior to the Record Date and hold my Existing Ordinary Shares in certificated form. What if I do not receive an Application Form or I have lost my Application Form

If you do not receive an Application Form, this probably means that you are not eligible to participate in the Open Offer. Some Qualifying Non-CREST Shareholders, however, will not receive an Application Form but may still be eligible to participate in the Open Offer, namely:

- (a) Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form on 10 September 2021 and who have converted them to certificated form;
- (b) Qualifying Non-CREST Shareholders who bought Existing Ordinary Shares before 10 September 2021 but were not registered as the holders of those shares at 6.00 p.m. on 10 September 2021; and
- (c) certain Overseas Shareholders.

If you do not receive an Application Form but think that you should have received one or you have lost your Application Form, please contact the Receiving Agent, Neville Registrars, on 0121 585 1131 or +44 (0) 121 585 1131 (if calling from outside the UK). 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 a.m. – 5 p.m. (London Time), Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

7. Can I trade my Basic Entitlement

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should also note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Basic Entitlements will be admitted to CREST they will have limited settlement capabilities (for the purposes of market claims only), the Basic Entitlements will not be tradable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a bona fide market claim. Open Offer Shares for which application has not been made 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 their Basic Entitlement will have no rights under the Open Offer or receive any proceeds from it. The Open Offer Shares have not been placed subject to clawback nor have they been underwritten.

8. What if I change my mind

If you are a Qualifying Non-CREST Shareholder, once you have sent your Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of Open Offer Shares for which you have applied.

9. What if the number of Open Offer Shares to which I am entitled is not a whole number am I entitled to fractions of Open Offer Shares

If the number is not a whole number, you will not receive a fraction of an Open Offer Share and your entitlement will be rounded down to the nearest whole number.

10. I hold my Existing Ordinary Shares in certificated form. What should I do if I have sold some or all of my Existing Ordinary Share

If you hold shares in the Company directly and you sell some or all of your Existing Ordinary Shares before 8 a.m. on 14 September 2021, you should contact the buyer or the person company through whom you sell your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer. If you sell any of your Existing Ordinary Shares on or after 8 a.m. on 14 September 2021, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

11. I hold my Existing Ordinary Shares in certificated form. How do I pay

Completed Application Forms should be returned with a cheque or banker's draft written in black ink and drawn in sterling on a bank or building society in the UK which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or a member of either of the committees of the Scottish or Belfast Clearing Houses or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by any of those companies. Such cheques or banker's drafts must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on the application.

Cheques should be drawn on a personal account in respect of which the Qualifying Shareholder has sole or joint title to the funds and should be made payable to "Neville Registrars Limited re: Clients Account" and crossed "A/C Payee Only". Cheques drawn on a non-UK bank will be rejected. Third party cheques may not be accepted with the exception of building society cheques where the building society or bank has inserted the full name of the account holder and have either added the building society or bank branch stamp. The name of the account holder should be the same as that shown on the Application Form. Payments via CHAPS, BACS or electronic transfer will not be accepted. Post-dated cheques will not be accepted.

12. Will the Existing Ordinary Shares that I hold now be affected by the Open Offer

If you decide not to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, or only apply for some of your entitlement, your proportionate ownership and voting interest in the Company will be reduced.

13. I hold my Existing Ordinary Shares in certificated form. Where do I send my Application Form

You should send your completed Application Form by post together with the monies in the appropriate form, to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD. If you post your Application Form by first class post, you should allow at least four Business Days for delivery. If you do not want to take up or apply for Open Offer Shares then you need take no further action.

14. I hold my Existing Ordinary Shares in certificated form. When do I have to decide if I want to apply for Open Offer Shares

The Receiving Agent must receive the Application Form by no later than 11 a.m. on 28 September 2021, after which time Application Forms will not be valid. If an Application Form is being sent by first class post in the UK, Qualifying Shareholders are recommended to allow at least four Business Days for delivery.

15. How do I transfer my entitlements into the CREST system

If you are a Qualifying Non-CREST Shareholder, but are a CREST member and want your Open Offer Shares to be in uncertificated form, you should complete the CREST deposit form (contained in the Application Form), and ensure it is delivered to the CREST Courier and Sorting Service in accordance with the instructions in the Application Form. CREST sponsored members should arrange for their CREST sponsors to do this.

16. I hold my Existing Ordinary Shares in certificated form. When will I receive my new share certificate

It is expected that the Receiving Agent will post all new share certificates by 8 October 2021.

17. If I buy Ordinary Shares after the Record Date, will I be eligible to participate in the Open Offer

If you bought your Ordinary Shares after the Record Date, you are unlikely to be able to participate in the Open Offer in respect of such Ordinary Shares.

18. What should I do if I live outside the United Kingdom

Your ability to apply to acquire Open Offer Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Basic Entitlement. Shareholders with registered addresses or who are located in the United States or any Restricted Jurisdiction are, subject to certain exceptions, not eligible to participate in the Open Offer. Your attention is drawn to the information in paragraph 6 of Part II of this document.

19. What should I do if I need further assistance

Should you require further assistance please call the Receiving Agent, Neville Registrars 0121 585 1131 or +44 (0) 121 585 1131 (if calling from outside the UK). 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 a.m. – 5 p.m. (London Time), Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

PART VI

NOTICE OF GENERAL MEETING

genedrive plc

(Incorporated and registered in England and Wales with registered no. 0610862)

Notice is hereby given that a General Meeting of genedrive plc (the Company) will be held at 11.00 a.m. on 30 September 2021 at 48 Grafton Street, Manchester M13 9XX for the purposes of considering and, if thought fit, passing the following resolutions, of which Resolution 1 will be proposed as an ordinary resolution and Resolution 2 will be proposed as special resolution.

RESOLUTION 1 Authority to allot New Ordinary Shares

That the directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "2006 Act"), in addition to all existing authorities to the extent unused, to exercise all powers of the Company to allot ordinary shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £631,371.63 on, and subject to, such terms as the directors may determine, but so that this authority is limited to the allotment of ordinary shares in connection with the Placing and the Open Offer (as defined in the document containing the notice convening this meeting). This authority, unless renewed, extended, varied or revoked by the Company in a general meeting, shall expire 90 days after the date of the passing of this resolution, save that the Company may, before such expiry, make offers or agreements which would or might require shares to be allotted in the Company after such expiry and the directors may allot shares in the Company in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution.

RESOLUTION 2 Disapplication of pre-emption rights

That, subject to and conditional on the passing of Resolution 1 above, the directors of the Company be and they are hereby empowered pursuant to section 570(1) of the Companies Act 2006 (the "2006 Act"), in addition to all existing authorities to the extent unused, to allot equity securities (as defined in section 560(1) of the 2006 Act) of the Company for cash pursuant to the authority conferred by resolution 1 above as if section 561(1) of the 2006 Act did not apply to any such allotment. This power, unless renewed, extended, varied or revoked by the Company in general meeting, shall expire 90 days after the date of the passing of this resolution, save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted in the Company after such expiry and the directors may allot such securities in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution.

By Order of the Board

Matthew Fowler
Company Secretary
14 September 2021

Registered Office
48 Grafton Street
Manchester
M13 9XX

IMPORTANT NOTICE RE COVID-19

Notwithstanding the relaxation in public health advice for public gatherings in light of the response to the COVID-19 outbreak, the Company encourages all Shareholders to submit their Form of Proxy, appointing the Chairman of the meeting as proxy, rather than attend the meeting in person. Only the formal business of the Resolutions will be carried out at the meeting and no update will be provided.

NOTES TO THE NOTICE OF GENERAL MEETING

1. A member entitled to attend and vote at the General Meeting is also entitled to appoint one or more proxies of their own choice to exercise all or any of their rights to attend, speak and vote on their behalf at the General Meeting. A member can only appoint a proxy using the procedures set out in these notes and the notes to the accompanying form of proxy.
2. A member may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A member may not appoint more than one proxy to exercise rights attached to any one share. The proxy need not be a member of the Company, but must attend the General Meeting to represent the member. Please refer to the notes to the form of proxy for further information on appointing a proxy, including how to appoint multiple proxies.
3. In the absence of instructions, the person appointed as proxy may vote or abstain from voting as he/she thinks fit on the specified Resolutions and, unless otherwise instructed, may also vote or abstain from voting on any other matter (including amendments to the Resolutions) which may properly come before the General Meeting.
4. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority is determined by the order in which the names of the holders stand in the Company's register of members in respect of the joint holding.
5. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member, provided that each representative is appointed to exercise the rights attached to a different share or shares held by the member.
6. Pursuant to regulation 41 of the CREST Regulations, the Company specifies that only those members registered on the Register of Members at 6.00 p.m. on 28 September 2021 (the "Specified Time") (or if the General Meeting is adjourned to a time more than 48 hours after the Specified Time, taking no account of any part of a day that is not a working day, by close of business on the day which is two working days prior to the time of the adjourned General Meeting) shall be entitled to attend and vote thereat in respect of the number of shares registered in their name at that time. If the General Meeting is adjourned to a time not more than 48 hours after the Specified Time (taking no account of any part of a day that is not a working day), that time will also apply for the purposes of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast) at the adjourned General Meeting. Changes to the Register of Members of the Company after the relevant deadline shall be disregarded in determining rights to attend and vote.

Appointment of proxy using hard copy proxy form

7. Members may appoint a proxy or proxies by completing and returning a form of proxy by post to the offices of the Company's registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD. In the case of a member which is a corporation, the proxy form must be executed under its common seal or signed on its behalf by a duly authorised officer or an attorney. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power of authority) must be included with the proxy form. Any such power of attorney or other authority cannot be submitted electronically.
8. To be effective, the appointment of a proxy, or the amendment to the instructions given for a previously appointed proxy, must be received by the Company's registrars by the method outlined in note 7 above no later than 11 a.m. on 28 September 2021. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Appointment of proxy using CREST electronic proxy appointment service

9. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from www.euroclear.com. 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.
10. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: 7RA11) by the latest time(s) for receipt of proxy appointments specified in this notice of General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp 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.
11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI 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 providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the CREST Regulations.

Termination of proxy appointments

13. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the General Meeting.
14. In order to terminate the authority of a proxy, or a corporate representative of a corporation, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke such appointment to the Company's registrars. To be effective, the notice of termination must be received by the Company's registrars by the method outlined in note 7 above no later than 11 a.m. on 28 September 2021.

Voting Rights

15. As at 13 September 2021, being the latest practicable date prior to the printing of this Notice, the Company's issued capital consisted of 63,320,048 Ordinary Shares carrying one vote each. Therefore, the total voting rights in the Company as at 13 September 2021 are 63,320,048.
16. Resolution 1 is proposed as an Ordinary Resolution. This means that for this Resolution to be passed more than half of the votes cast on such Resolution must be in favour of such Resolution. Resolution 2 is proposed as a Special Resolution. This means that for such Resolution to be passed, at least three-quarters of the votes cast on such Resolutions must be in favour of such Resolution.

Communications

17. This Notice, together with information about the total numbers of shares in the Company in respect of which members are entitled to exercise voting rights at the General Meeting as at 13 September 2021, being the latest practicable date prior to the printing of this Notice, will be available on the Company's website at www.genedriveplc.com.

