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This Document comprises a prospectus relating to Bay Capital Plc (the “**Company**”) prepared in accordance with the prospectus regulation rules of the Financial Conduct Authority (the “**FCA**”) made under section 73A of FSMA (the “**Prospectus Regulation Rules**”). This Document has been approved as a prospectus by the FCA as competent authority under the UK version of Regulation (EU) 2017/1129 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”). The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation in respect of a prospectus. Such approval should not be considered as an endorsement of the Company that is, or the quality of the securities that are, the subject of this document. Investors should make their own assessment as to the suitability of investing in the securities. The Prospectus will be made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

Applications have been made to the FCA for all of the Ordinary Shares in the Company whether issued or to be issued pursuant to the Placing to be admitted to the Official List of the FCA (the “**Official List**”) (by way of a standard listing under Chapter 14 of the listing rules published by the FCA under section 73A of FSMA as amended from time to time (the “**Listing Rules**”)) and to the London Stock Exchange plc (the “**London Stock Exchange**”) for such Ordinary Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities (together, “**Admission**”). It is expected that Admission will become effective, and that unconditional dealings in the Ordinary Shares will commence, at 8.00 a.m. on 30 September 2021.

The Directors, whose names appear on page 27, and the Company, accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company, the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

THE WHOLE OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE ORDINARY SHARES AS SET OUT IN THE SECTION ENTITLED “RISK FACTORS” BEGINNING ON PAGE 11 OF THIS DOCUMENT.

BAY CAPITAL PLC

(incorporated in Jersey under the laws of Jersey with registered number 134743)

Placing of 40,000,000 Placing Shares at £0.10 each per Placing Share

Admission to the Standard Listing segment of the Official List (by way of a Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange’s Main Market for listed securities of the Ordinary Shares

The information contained in this Document has been prepared solely for the purpose of the Placing and Admission and is not intended to be relied upon by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and accordingly no duty of care is accepted in relation to them. The Placing Shares will rank in full for all dividends or other distributions hereafter declared, made or paid on the ordinary share capital of the Company and will rank *pari passu* in all other respects with all other Ordinary Shares in issue on Admission. This Document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer or invitation to buy or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

The distribution of this Document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This Document does not constitute a prospectus for the purposes of any offer of shares in any EEA member state and has not been approved by a competent authority in any EEA member state for the purposes of Regulation (EU) 2017/1129.

The Ordinary Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, *Canada* or Japan. Subject to certain exceptions, the Ordinary Shares may not be offered, sold, resold, transferred or distributed directly or indirectly, within, into or in the United States or to or for the account or

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

The Ordinary Shares have not been approved or disapproved by the US Securities Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed comment upon or endorsed the merits of the Placing or adequacy of this Document.

Application will be made for the Ordinary Shares to be admitted to the standard segment of the Official List. A Standard Listing affords investors in the Company a lower level of regulatory protection than that afforded to investors in companies whose securities are admitted to the premium segment of the Official List, which are subject to additional obligations under the Listing Rules. It should be noted that the FCA will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply. However the FCA would be able to impose sanctions for non-compliance where the statements regarding compliance in this Prospectus are themselves misleading, false or deceptive.

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SUMMARY

1. INTRODUCTION AND WARNINGS

(a) Name and ISIN of the securities

Ordinary voting shares in the capital of the Company with a nominal value of GBP £0.01 each. When admitted to trading the Ordinary Shares will have an ISIN of JE00BKVHVV88 and a SEDOL of BKVHVV8.

(b) Identity and contact details of the issuer

The issuer's name is Bay Capital Plc (the "**Company**"). Its registered office is at 28 Esplanade, St. Helier, Channel Islands, JE2 3QA, Jersey. The Company's telephone number is +44 (0) 1534 700000.

(c) Identity and contact details of the competent authority

This Document has been approved and published by the UK Financial Conduct Authority, with its head office at 12 Endeavour Square, London E20 1JN, United Kingdom and telephone number +44 (0) 20 7066 1000. The FCA will be the relevant competent authority and no passporting of the prospectus is anticipated. As the Company has not applied for the admission of any securities specified in article 1(2) of the Prospectus Regulation or any other specialist securities for which a prospectus is not required, the Company is not required to have listing particulars approved and published for its securities.

(d) Date of approval of the Prospectus

27 September 2021

(e) Warnings

This summary should be read as an introduction to this Document. Any decision to invest in Ordinary Shares should be based on consideration of this Document as a whole by the investor. The investor could lose all or part of the invested capital. Civil liability (and, under Jersey law, criminal liability) attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Ordinary Shares.

2. KEY INFORMATION ON THE ISSUER

(a) Who is the issuer of the securities?

(i) **Domicile and legal form, LEI, applicable legislation and country of incorporation**

The Company was duly incorporated as a private limited company under the laws of Jersey on 31 March 2021 with registered number 134743 and its registered office at 28 Esplanade, St. Helier, Channel Islands, JE2 3QA, Jersey. The Company operates in conformity with its memorandum and articles of association. It was re-registered as a public company on 8 September 2021. The Company's Legal Entity Identifier ("**LEI**") is 213800F59868OZQU6E56. The Company is resident for tax purposes in Jersey. The principal law and legislation under which the Company operates is the Companies (Jersey) Law 1991 (as amended from time to time).

(ii) **Principal activities**

The Company has been incorporated for the purpose of identifying suitable Acquisition opportunities in accordance with the Company's investment and acquisition strategy. The Company will retain a flexible investment and acquisition strategy which will, subject to appropriate levels of due diligence, enable it to deploy capital in target companies by way of minority or majority investments, or full Acquisitions where it is in the interests of Shareholders to do so (including transactions with target companies located in the UK and internationally). It is anticipated by the Directors that Acquisition opportunities could be with private companies, other listed business, or via the Acquisition of divisional or non-core carve outs. The Company's strategic aim is to drive Shareholder value through the acquisition of target companies in certain sectors where the Directors believe there to be sustainable growth opportunities both organically, and through acquisition. In particular, sectors of focus include industrials, construction and business services, and software and technology companies which service those industry verticals. Where target companies are acquired, the Directors and incoming

management teams will seek to drive operational improvements and best practice to unlock revenue and cost synergies.

It is possible the Board may consider Acquisitions that do not conform to all of the above framework. However, in all cases, the Company's strategic aim is to drive Shareholder value through the acquisition of target companies in certain sectors where the Directors believe there to be sustainable growth opportunities both organically, and through acquisition.

(iii) **Major Shareholders**

As at the Last Practicable Date, and insofar as is known to the Company, the following persons are, or will, immediately following Admission, be directly or indirectly interested in 5 per cent. or more of the issued share capital of the Company:

<i>Name</i>	<i>No. of Ordinary Shares held at the Last Practicable Date</i>	<i>Percentage or Ordinary Shares held at the Last Practicable Date</i>	<i>No. of Ordinary Shares held immediately following Admission</i>	<i>Percentage of Ordinary Shares anticipated to be held immediately following Admission</i>
JIM Nominees Limited	–	–	16,500,000	23.6%
Hermco Property Limited*	15,000,000	50.0%	15,000,000	21.4%
David Jeffreys Williams	14,250,000	47.50%	14,250,000	20.4%
Huntress (CI) Nominees Limited	–	–	7,000,000	10.0%
Bank of New York (Nominees) Limited	–	–	4,650,000	6.6%

*100 per cent. owned by Peter William Gregory Tom CBE

No holder of Ordinary Shares has voting rights different from other holders of Ordinary Shares.

(iv) **Key managing Directors**

Peter William Gregory Tom CBE (Non-executive Chairman)

David Jeffreys Williams (Non-executive Director)

(v) **Statutory auditor**

MacIntyre Hudson LLP, whose registered address is at Pennant House, 1-2 Napier Court, Napier Road, Reading, RG1 8BW

(b) **What is the key financial information regarding the issuer?**

(i) **Selected historical key financial information**

The tables below set out a summary of the Group Financial Information as extracted from paragraph 2 (*Historical Financial Information of the Group*) of Part III (*Financial Information of the Group*) of this Document. The Company was incorporated on 31 March 2021 and the Group Financial Information was audited up to the period ended 30 April 2021.

Consolidated statement of Comprehensive Income

The audited statement of consolidated comprehensive income of the Group from the date of incorporation on 31 March 2021 to 30 April 2021 is stated below:

	<i>Period ended 30 April 2021</i>
	£
Revenue	–
Administrative expenses	–
Operating results	–
Finance income/(expense)	–
Profit before taxation	–
Income tax	–
Profit for the period and total comprehensive income for the period	–

Consolidated statement of Financial Position

The audited consolidated statement of financial position of the Group as at 30 April 2021 is stated below:

	<i>As at period ended 30 April 2021 £</i>
ASSETS	
Current assets	
Cash and cash equivalents	2
Total assets	<u>2</u>
EQUITY AND LIABILITIES	
Equity attributable to owners	
Ordinary share capital	2
Retained earnings	–
Total equity attributable to shareholders	<u>2</u>
Total equity and liabilities	<u>2</u>

Consolidated statement of cash flows

The audited consolidated statement of cash flows of the Group from the date of incorporation on 31 March 2021 to 30 April 2021 is stated below:

	<i>Period ended 30 April 2021 £</i>
Cash flows from operating activities	
Loss before income tax	–
Net cash from operating activities	<u>–</u>
Cash flows from financing activities	
Cash received from issue of Ordinary Shares	2
Net cash inflow from financing activities	<u>2</u>
Net increase in cash and cash equivalents	2
Cash and cash equivalents at beginning of period	–
Cash and cash equivalents at end of period	<u>2</u>

(ii) **Audit report on the historical financial information**

There are no qualifications in the Reporting Accountant's reports on the historical Financial Information of the Group for the period between incorporation on 31 March 2021 and 30 April 2021.

(c) **What are the key risks that are specific to the issuer?**

- The Company was incorporated on 31 March 2021 and since that date has not commenced substantive operations, so does not have a representative track record or operating history, nor does it have any material assets or liabilities. Accordingly, as at the date of this Document, the Company has limited financial statements and/or meaningful historical financial data upon which prospective investors may base an evaluation of the Company. The Company is therefore subject to all of the risks and uncertainties associated with any new business enterprise including the risk that the Company will not achieve its investment objectives and that the value of an investment in the Company could decline and may result in the total loss of all capital invested.
- As at the date of this Document, the Directors have not identified any opportunities which they believe have a sufficient level of certainty around proceeding to completion. The Company will not generate any revenues from operations unless it completes an Acquisition. If the Directors are unable to identify and complete appropriate opportunities in line with the Company's strategy,

the Company may not be able to invest its resources in a manner which achieves its objectives, including the creation of value for Shareholders. There is no guarantee that the Company will be able to acquire identified opportunities at an appropriate price, or at all, and the Company's initial and future Acquisitions may not be consummated at the desired rate as a result of the need for Directors to conduct detailed due diligence, extensive or protracted negotiations and competition for assets and businesses from other potential acquirers.

- The Company cannot currently predict the amount of capital that may be required to execute its strategy, and the Net Proceeds are unlikely to be sufficient to fund any Acquisition opportunities, then taking into account the due diligence to be undertaken on any opportunity and other transaction costs. Accordingly, the Company is likely to need to seek additional equity and/or debt financing. There can be no guarantee that the Company will be able to obtain debt financing or, if available, to obtain such financing on terms attractive to the Company. The Company may not receive sufficient support from its Shareholders to raise additional equity and/or potential investors may be unwilling to invest on terms that are favourable to the Company. To the extent that additional financing is necessary to complete any Acquisition and remains unavailable or only available on terms that are unacceptable or unattractive to the Company, the Company may be compelled either to restructure or abandon the Acquisition, or proceed with the Acquisition on less favourable terms, which may reduce the Company's return on the investment.
- In certain jurisdictions, there may be legal, regulatory or practical restrictions on the Company using its Ordinary Shares as consideration for an Acquisition or which may mean that the Company is required to provide alternative forms of consideration. Such restrictions may limit the Company's Acquisition opportunities or make a certain Acquisition more costly which may have an adverse effect on the results of operations of the Company.
- There can be no assurance that the due diligence undertaken with respect to a potential Acquisition will reveal all relevant facts that may be necessary to evaluate such Acquisition including the determination of the price the Company may pay for an Acquisition target, or to formulate a business strategy. If the due diligence investigation fails to correctly identify material issues, risks and liabilities that may be present in a target company or business, or if the Company considers such material risks to be commercially acceptable relative to the opportunity, and the Company proceeds with an Acquisition, the Company may subsequently incur substantial impairment charges or other losses.
- As part of the Company strategy, the Directors retain the flexibility to take non-controlling stakes in target companies where they believe it is in the best interests of Shareholders to do so. However, the Company will not acquire a non-controlling stake in a target company when executing its first Acquisition. If non-controlling stakes are acquired, the Directors are unlikely to be able to influence the target company strategy. Furthermore, the other third party shareholders of the target company in which a non-controlling stake has been taken may have competing or conflicting objectives which do not align with those of the Directors or the Company. If the position of a third party shareholder was to conflict in a damaging way with the Company, a dispute may arise that could result in litigation. If this were to occur, the value of the Company's investment in the target company could reduce, leading to a material adverse effect on the Company's results of operations and financial condition.
- The Company will be dependent upon the ability of the Directors and its wider team to identify suitable Acquisition opportunities and to implement the Company's strategy. However, none of the Directors are required to commit their full time to the Company's affairs, which could create a conflict of interest when allocating their time between the Company's operations and their other commitments. If the Directors' other business affairs require them to devote more substantial amounts of time to such affairs, it could limit their ability to devote time to the Company's affairs and could have a negative impact on the Company's ability to complete an Acquisition.

3. KEY INFORMATION ON THE SECURITIES

(a) What are the main features of the securities?

(i) Type, class and ISIN of the securities

The securities being admitted to trading are Ordinary Shares. When admitted to trading, the Ordinary Shares (which are ordinary voting shares) will have an ISIN of JE00BKVHVV88 and a SEDOL of BKVHVV8. The Ordinary Shares conform with the laws of Jersey, are duly authorised according to the requirements of the Company's memorandum and articles of association and comply with all

applicable statutory requirements and any other consents required. The Company will not be listing any securities which are convertible into listed securities or into recognised market securities. The Company does not intend to apply to list shares of a company incorporated in a third country.

(ii) **Currency, denomination, par value, number of securities issued and term of the securities**

The Ordinary Shares are denominated in Pounds Sterling with par value of £0.01 each and an indefinite term. The issued share capital of the Company on Admission will consist of 70,000,000 Ordinary Shares comprising the 30,000,000 Existing Ordinary Shares held by the Existing Shareholders, issued at a price of £0.10 per Ordinary Share, and the Placing Shares that have been issued conditional upon Admission, at a price of £0.10 per Placing Share. Following the Placing, the Company will have an initial market capitalisation of £7 million.

(iii) **Rights attached to the securities**

Ordinary Shares rank *pari passu* in all respects with each other and rank in full for all dividends and other distributions thereafter declared, made or paid in respect of the Ordinary Shares.

The Board may convene general meetings whenever it thinks fit. All Shareholders who are entitled to receive notice under the Articles must be given notice. Every Shareholder present in person, by proxy or by a duly authorised corporate representative at a general meeting of the Company shall have one vote on a show of hands and, on a poll, every Shareholder present in person, by proxy, or by a duly authorised corporate representative shall have one vote for every Ordinary Share of which he is the holder.

(iv) **Rank of securities in the issuers' capital structure in the event of insolvency**

Ordinary Shares rank equally in the distribution of surplus assets of the Company remaining after the payment of all creditors in the winding-up of the Company.

(v) **Restrictions on free transferability of securities**

All Ordinary Shares are freely transferable, fully paid and free from all liens.

(vi) **Dividends and dividend policy**

The Company recognises the importance of dividends, however it does not intend to pay dividends on the Ordinary Shares following an Acquisition. Prior to an Acquisition, it is unlikely that the Company will have any earnings but to the extent the Company has any earnings it is the Company's current intention to retain any such earnings for use in its business operations, and the Company does not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends to the extent that it is able to do so in accordance with all applicable laws.

(b) **Where will the securities be traded?**

Application will be made for the whole class of Ordinary Shares (issued and to be issued) to be admitted to a Standard Listing on the Official List and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Admission will become effective and that unconditional dealings will commence at 8:00a.m. on 30 September 2021. No application has or is currently intended to be made for the Ordinary Shares to be admitted to listing elsewhere or to be traded on any other exchange.

(c) **Where are the key risks that are specific to the securities?**

- The Listing Rules provide that the FCA will generally seek to cancel the listing of a company's equity securities when it completes a Reverse Takeover. In such circumstances, the Company must seek readmission to the Official List or admission to trading on AIM or an alternative share trading platform at the time of completion of any such Reverse Takeover. The process involved would require publication of a prospectus and it would be necessary for the Company as enlarged by the Acquisition to meet the eligibility requirements set by the FCA in order to be readmitted to the Official List. Similarly, the Company would be required to publish certain documentation and meet the eligibility requirements of the relevant stock exchange. However, there is a risk that such eligibility criteria will not be met and therefore there is no guarantee that such readmission or admission would be granted. In particular, the FCA published consultation paper CP21/21 in July 2021 which notes its intention to consider amending the eligibility criteria such that issuers seeking admission or readmission to the Official List must have a minimum market capitalisation of £50 million. The results of the consultation have not yet been published and there is no certainty on what the minimum market capitalisation will be, but any amendments are expected to come into force in 2021. If an Acquisition is completed after these new eligibility requirements come into

effect, the Company as enlarged by the Acquisition would require a minimum market capitalisation of £50 million (or such other amount as the FCA determines pursuant to the response to the consultation paper) in order to be readmitted to the Official List. If the Company as enlarged by the Acquisition did not meet these minimum market capitalisation requirements, it would need to seek admission to trading on AIM or an alternative share trading platform, or cancel its listing altogether. A cancellation of the listing of the Ordinary Shares would materially reduce liquidity in the Ordinary Shares, which may affect a Shareholder's ability to realise some or all of his investment and/or the price at which such Shareholder can affect any such realisation.

- The Company may need to raise additional funds in the future to finance Acquisitions. If additional funds are raised through the issuance of new equity or equity-linked securities of the Company other than on a pro-rata basis to existing Shareholders, the percentage ownership of the existing Shareholders may be reduced. The Company may also issue Ordinary Shares as consideration for Acquisitions or investments which would also dilute Shareholders' respective shareholdings. Each of the Existing Shareholders have been issued with, and each of the Placees will be issued on Admission with, Warrants. In addition, the Company has implemented incentive arrangements pursuant to which shares in Subco (Subco B Shares) have been and will be issued and which may be sold (in consideration for cash or the issue of new Ordinary Shares in the Company) once certain shareholder value targets have been met or in certain other circumstances, which could result in the percentage ownership of a Shareholder being reduced by a maximum of 15 per cent. In circumstances where: (i) all Warrants are exercised; and (ii) all participants in the Subco B incentive arrangements are issued with Ordinary Shares to satisfy the payment for Subco B Shares, the percentage ownership of a Shareholder could be reduced by a maximum of 65 per cent.
- Application will be made for the Ordinary Shares to be admitted to the Standard Listing segment of the Official List. A Standard Listing will afford Shareholders a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules. A Standard Listing will not permit the Company to gain a FTSE indexation, which may have an adverse effect on the valuation of the Ordinary Shares.
- The Company does not intend to pay dividends on the Ordinary Shares in the foreseeable future. The Company will only pay dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and subject to its obligations under the Companies Law, but will be principally reliant upon dividends received on shares held by the Company in order to do so. Payments of such dividends will be dependent on the availability of distributable reserves. The Company can therefore give no assurance that it will be able to pay dividends in the future or as to the amount of such dividends.

4. KEY INFORMATION ON ADMISSION TO TRADING ON A REGULATED MARKET

(a) Under which conditions and timetable can I invest in this security?

(i) General terms and conditions

The Placing Shares have been made available to investors in the UK and, in accordance with the Listing Rules, at Admission at least 25 per cent. of the Ordinary Shares of the total class will be in public hands (as defined in the Listing Rules). The Company has placed 40,000,000 Placing Shares at £0.10 per Placing Share conditional, *inter alia*, upon Admission occurring and becoming effective by 8.00 a.m. on no later than 30 September 2021. The rights attaching to the Ordinary Shares will be uniform in all respects and all of the Ordinary Shares will form a single class for all purposes. Admission and completion of the Placing will be announced via a regulatory information service and is expected to take place at 8.00 a.m. on 30 September 2021 (or such later date as the Company may decide, being no later than 30 September 2021).

(ii) Expected timetable of principal events

<i>Event</i>	<i>Time and/or date</i>
Publication of this Document	27 September 2021
Admission and commencement of dealings in Ordinary Shares on the Main Market	30 September 2021
Delivery of Ordinary Shares into CREST	30 September 2021
Ordinary Share certificates despatched	Within 10 Business Days of Admission

(iii) **Details of admission to trading on a regulated market**

Application will be made for the Ordinary Shares (issued and to be issued) to be admitted to a Standard Listing on the Official List and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Admission will become effective and that unconditional dealings will commence at 8:00a.m. on 30 September 2021. No application has or is currently intended to be made for the Ordinary Shares to be admitted to listing elsewhere or to be traded on any other exchange. In order for the Company to comply with Chapter 3 of the Listing Rules, the relevant documents will be provided on Admission.

(iv) **Plan for distribution**

The Company has conditionally placed 40,000,000 Placing Shares through the Placing. The maximum number of Placing Shares to be issued under the Placing is 40,000,000 Placing Shares.

(v) **Amount and percentage of immediate dilution resulting from the issue**

Under the Placing, 40,000,000 Placing Shares have been conditionally subscribed for by Placees at the Placing Price, representing 57.14 per cent. of the Enlarged Share Capital. The Placing and Admission will result in the Existing Ordinary Shares representing approximately 42.86 per cent. of the Enlarged Share Capital. Existing Shareholders will therefore experience a 57.14 per cent. dilution as a result of the Placing.

Each of the Existing Shareholders have been issued with, and each of the Placees will be issued on Admission with, warrants over a total aggregate of 70,000,000 Ordinary Shares ("**Warrants**"). The Warrants are exercisable from the date of completion of the inaugural transaction (an investment or Acquisition) made by the Company, where the consideration for such acquisition is at least £10 million. These warrants can be exercised through application to the Company. The Warrants will not be listed on the London Stock Exchange or any other publicly traded market.

Upon completion of the Placing and assuming full exercise of the Warrants (the "**Transactions**"), the Warrants will represent approximately 50 per cent. of the Fully Diluted Enlarged Share Capital of the Company. If an Acquisition is wholly or partly financed through the issue of additional Ordinary Shares, existing Shareholders may be diluted.

(vi) **Estimate of the total expenses of the issue**

The total expenses incurred (or expected to be incurred) by the Company in connection with the Admission and the Placing amount to approximately £272,125. The estimated Net Proceeds are approximately £6,727,875. No expenses will be charged by the Company to any investors or purchasers of Placing Shares pursuant to the Placing.

(b) **Why is this Prospectus being produced?**

(i) **Reasons for the Placing and use of proceeds**

It is the Company's intention to use the proceeds of the Placing, together with the £3 million previously raised from the issue prior to Admission of certain Existing Ordinary Shares at £0.10 to each of the Existing Shareholders as described in paragraph 4(d) of Part VI (*Additional Information*) of this Document, to fund the estimated transaction expenses, being £272,125 (as described in more detail in paragraph 15(g) of Part VI (*Additional Information*)) and then to fund the operating expenses of the Company, which are expected to be around £0.3 million annually. The proceeds of the Placing will then be used to fund any initial due diligence (including legal, financial, technical and operational diligence), professional fees and other transaction costs in respect of an Acquisition as well as potentially funding the cash element of the purchase price of an Acquisition.

(ii) **Material conflicts of interest**

Not applicable.

RISK FACTORS

Any investment in Ordinary Shares carries a number of risks. Prospective investors should review this Document carefully and in its entirety and consult with their professional advisers before acquiring any Ordinary Shares. Prospective investors should also consider the risks and uncertainties described below, together with all other information in this Document, before making any investment decision.

A number of factors can or will affect the operating results, financial condition and prospects of the Company. This section describes risk factors considered to be material in relation to the Company based on information known at the date of this Document.

Prospective investors should note that the risks relating to the Company, its industry and the Ordinary Shares summarised in the section of this Document headed “Summary” are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Company faces relate to events and depends on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Document headed “Summary” but also, among other things, the risks and uncertainties described below.

However, the risk factors described below should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties. Additional risks and uncertainties that are not presently known to the Directors, or which they currently deem immaterial, may also have an adverse effect on the operating results, financial condition or prospects of the Company. If any such risks were to materialise the price of Ordinary Shares could decline as a consequence, and investors could lose all or part of their investment.

1. RISKS RELATING TO THE COMPANY AND ITS BUSINESS STRATEGY

1.1 The Company is a new company with no operating history

The Company was incorporated on 31 March 2021 and since that date has not commenced substantive operations, so does not have a representative track record or operating history, nor does it have any material assets or liabilities. Accordingly, as at the date of this Document, the Company has limited financial statements and/or meaningful historical financial data upon which prospective investors may base an evaluation of the Company. Further, the historical results of prior investments made by, or businesses or transactions associated with, the Directors and their affiliates may not be indicative of the future performance of an investment in the Company or the returns the Company will, or is likely to, generate going forward. The Company is therefore subject to all of the risks and uncertainties associated with any new business enterprise including the risk that the Company will not achieve its investment objectives and that the value of an investment in the Company could decline and may result in the total loss of all capital invested.

1.2 Identifying suitable target companies

The Company will be dependent upon the ability of the Directors and its wider team to identify suitable Acquisition opportunities and to implement the Company’s strategy. As at the date of this Document, the Directors have not identified any opportunities which they believe have a sufficient level of certainty around proceeding to completion. The Company will not generate any revenues from operations unless it completes an Acquisition. If the Directors are unable to identify and complete appropriate opportunities in line with the Company’s strategy, the Company may not be able to invest its resources in a manner which achieves its objectives, including the creation of value for Shareholders. There is no guarantee that the Company will be able to acquire identified opportunities at an appropriate price, or at all, as a consequence of which resources may be expended on M&A search and due diligence activities. Certain Acquisition opportunities may be private and unquoted businesses which may also not have an established track record.

In addition, the Company’s initial and future Acquisitions may not be consummated at the desired rate as a result of the need for Directors to conduct detailed due diligence, extensive or protracted negotiations, competition for assets and businesses from other potential acquirers. Any or all of these

could have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

1.3 In the event that the Company does not identify an Acquisition, the Shareholders may be required to take action to wind up the Company

The Company has been incorporated to identify suitable Acquisition opportunities and to implement the Company's strategy. In the event that the Company does not identify a target for Acquisition or does not complete an Acquisition in the long term in order to achieve a return on capital for Shareholders, it may be necessary to wind up the Company in order to return any remaining cash to Shareholders. On any such return of capital there can be no assurance as to the particular amount or value of the remaining assets at such future time of any such return of capital either as a result of costs from an unsuccessful Acquisition or from other factors, including disputes or legal claims which the Company is required to pay out, the cost of the liquidation and the dissolution process, applicable tax liabilities or amounts due to third party creditors. Upon distribution of assets on a liquidation, it is extremely likely that such costs and expenses would result in investors receiving less than they invested. The Directors intend to complete the Company's first Acquisition as soon as reasonably possible following Admission. However, the Company does not have a formal timeframe by which it must make an Acquisition. If the Company has not completed an Acquisition before the third anniversary of Admission, the Board will consider at that time whether to make a recommendation on the direction of the Company (whether that be to continue searching for Acquisition opportunities or to discontinue and wind-up the Company) to Shareholders at a general meeting to permit them to vote on such matters. The Board will make a decision on such matters based on the information available at that time including likely timeframe for an Acquisition.

1.4 Dilution of Shareholders' interest as a result of additional equity fundraising for Acquisitions or otherwise

The Company may need to raise additional funds in the future to finance new Acquisitions. If additional funds are raised through the issuance of new equity or equity-linked securities of the Company other than on a pro-rata basis to existing Shareholders, the percentage ownership of the existing Shareholders may be reduced. Shareholders may also experience subsequent dilution and/or such securities may have preferred rights, options and pre-emption rights senior to the Ordinary Shares. The Company may also issue Ordinary Shares as consideration for Acquisitions or investments which would also dilute Shareholders' respective shareholdings.

Each of the Existing Shareholders have been issued with, and each of the Placees will be issued on Admission with, Warrants over a total aggregate of 70,000,000 Ordinary Shares. The Warrants are exercisable from the date of completion of the inaugural transaction (an investment or Acquisition) made by the Company, where the consideration for such acquisition is at least £10 million. Upon completion of the Placing and assuming full exercise of the Warrants, the Warrants will represent approximately 50 per cent. of the Fully Diluted Enlarged Share Capital of the Company.

In addition, the Company has implemented incentive arrangements pursuant to which shares in Subco (Subco B Shares) have been and will be issued in order to incentivise the Directors and key advisors to the Company, as well as incoming operating partners and management team. Once certain shareholder value targets have been met, or in certain other circumstances such as a participant ceasing to be a Group employee, the participant(s) in the scheme will have the right to sell the Subco B Shares to the Company at a specified price, and the Company may purchase the Subco B Shares with a cash payment or an issue of Ordinary Shares. If the Company elects to satisfy the payment with an issue of Ordinary Shares, the percentage ownership of a Shareholder could be reduced by a maximum of 15 per cent.

In circumstances where: (i) all Warrants are exercised; and (ii) all participants in the Subco B incentive arrangements are entitled to sell all of the Subco B Shares and the Company elects to satisfy the payment of Subco B Shares through the issue of Ordinary Shares, the percentage ownership of a Shareholder could be reduced by a maximum of 65 per cent. However, given that all Existing Shareholders and all Placees have been or will be issued with Warrants over Ordinary Shares in a number which is equal to the Ordinary Shares they hold on Admission, a Shareholder who exercised

its Warrants in full would have its percentage ownership reduced by a maximum of 15 per cent. in circumstances where (i) all Warrants are exercised; and (ii) all participants in the Subco B incentive arrangements are entitled to sell all of the Subco B Shares and the Company elects to satisfy the payment of Subco B Shares through the issue of Ordinary Shares.

1.5 The Company may be unable to obtain financing to complete any Acquisition or to fund the operations of a target business

The Company cannot currently predict the amount of capital that may be required to execute its strategy, and the Net Proceeds are unlikely to be sufficient to fund any Acquisition opportunities, then taking into account the due diligence to be undertaken on any opportunity and other transaction costs. Accordingly, the Company is likely to need to seek additional equity and/or debt financing. There can be no guarantee that the Company will be able to obtain debt financing or, if available, to obtain such financing on terms attractive to the Company. The Company may not receive sufficient support from its Shareholders to raise additional equity and/or potential investors may be unwilling to invest on terms that are favourable to the Company. To the extent that additional financing is necessary to complete any Acquisition and remains unavailable or only available on terms that are unacceptable or unattractive to the Company, the Company may be compelled either to restructure or abandon the Acquisition, or proceed with the Acquisition on less favourable terms, which may reduce the Company's return on the investment. The Company may also require financing to implement operational improvements in the acquired business. The failure to secure additional financing or to secure such additional financing on terms acceptable to the Company could have a material adverse effect on the continued development or growth of the acquired business.

1.6 Restrictions in offering Ordinary Shares as consideration for the Acquisition or requirements to provide alternative consideration

In certain jurisdictions, there may be legal, regulatory or practical restrictions on the Company using its Ordinary Shares as consideration for the Acquisition or which may mean that the Company is required to provide alternative forms of consideration. Such restrictions may limit the Company's Acquisition opportunities or make a certain Acquisition more costly which may have an adverse effect on the results of operations of the Company.

1.7 Any due diligence by the Company in connection with an Acquisition may not reveal all relevant considerations or liabilities of the target business. This could have a material adverse effect on the Company's financial condition or results of operations

The Company intends to conduct such due diligence as it deems reasonably practicable and appropriate based on the facts and circumstances applicable to any potential Acquisition. The objective of the due diligence process will be to identify material issues which might affect the decision to proceed with any one particular Acquisition target or the consideration payable for an Acquisition. The Company also intends to use information revealed during the due diligence process to formulate its business and operational planning for, and its valuation of, any target company or business. Whilst conducting due diligence and assessing a potential Acquisition, the Company will rely on publicly available information, if any, information provided by the relevant target company to the extent such company is willing or able to provide such information and, in some circumstances, third party investigations.

There can be no assurance that the due diligence undertaken with respect to a potential Acquisition will reveal all relevant facts that may be necessary to evaluate such Acquisition including the determination of the price the Company may pay for an Acquisition target, or to formulate a business strategy. Furthermore, the information provided during due diligence may be incomplete, inadequate or inaccurate. As part of the due diligence process, the Company will also make subjective judgments regarding the results of operations, financial condition and prospects of a potential opportunity. If the due diligence investigation fails to correctly identify material issues, risks and liabilities that may be present in a target company or business, or if the Company considers such material risks to be commercially acceptable relative to the opportunity, and the Company proceeds with an Acquisition, the Company may subsequently incur substantial impairment charges or other losses. In addition, following an Acquisition, the Company may be subject to significant, previously undisclosed liabilities of the acquired business that were not identified during due diligence and which could contribute to

poor operational performance, undermine any attempt to restructure the acquired company or business in line with the Company's business plan and have a material adverse effect on the Company's financial condition and results of operations.

1.8 The Company may be subject to risks associated with ownership of overseas businesses and assets

Where the Company invests in or acquires a target company located outside the United Kingdom, the laws of the country in which such target company operates will govern almost all of the material agreements relating to its operations. There can be no assurance that the target company will be able to enforce any of its material agreements or that remedies will be available in the overseas jurisdiction. The system of laws and the enforcement of existing laws in such jurisdiction may not be as certain in implementation and interpretation as in the United Kingdom. The inability of the Company to enforce or obtain a remedy under any of its future agreements could result in a significant loss of business, business opportunities or capital. Additionally, if the Company acquires a target company located outside of the United Kingdom, it is likely that substantially all of its assets would be located outside of the United Kingdom and some of its officers and directors might reside outside the United Kingdom. As a result, it may not be possible for investors in the United Kingdom to enforce their legal rights, to effect service of process upon all of the Company's directors or officers or to enforce judgments of the English courts in such jurisdictions.

1.9 Even if the Company completes an Acquisition, there is no assurance that any operating improvements will be successful or, that they will be effective in increasing the valuation of any business acquired

Following an Acquisition, the Company will endeavour to generate Shareholder value through operational improvements, economies of scale and through an accelerated acquisition programme. However, there can be no assurance that the Company will be able to propose and implement effective operational improvements for any company or business which the Company acquires. In addition, even if the Company completes an Acquisition, general economic and market conditions or other factors outside the Company's control could make the Company's operating strategies difficult or impossible to implement. Any failure to implement these operational improvements successfully and/or the failure of these operational improvements to deliver the anticipated benefits could have a material adverse effect on the Company's results of operations and financial condition.

1.10 The Company may face significant competition for Acquisition opportunities

There may be significant competition for some or all of the Acquisition opportunities that the Company may explore. Such competition may, for example, come from strategic buyers, sovereign wealth funds, special purpose acquisition companies and public and private investment funds many of which are well established and have extensive experience in identifying and completing acquisitions. A number of these competitors may possess greater technical, financial, human and other resources than the Company. The Company cannot assure investors that it will be successful against such competition. Such competition may cause the Company to be unsuccessful in executing an Acquisition or may result in a successful Acquisition being made at a significantly higher price than would otherwise have been the case.

1.11 Following any minority or majority investment into a target company, the Company is unlikely to obtain control of that investee company

As part of the Company strategy, the Directors retain the flexibility to take non-controlling stakes in target companies where they believe it is in the best interests of Shareholders to do so. However, the Company will not acquire a non-controlling stake in a target company when executing its first Acquisition. If non-controlling stakes are acquired, the Directors are unlikely to be able to influence the target company strategy. Furthermore, the other third party shareholders of the target company in which a non-controlling stake has been taken may have competing or conflicting objectives which do not align with those of the Directors or the Company. If the position of a third party shareholder was to conflict in a damaging way with the Company, a dispute may arise that could result in litigation. If this

were to occur, the value of the Company's investment in the target company could reduce, leading to a material adverse effect on the Company's results of operations and financial condition.

1.12 If one or more Acquisitions are completed, the Company will be a holding company whose principal source of operating cash will be income received from the businesses it has acquired

If one or more acquisitions are completed, the Company will be dependent on the income generated by the acquired businesses to meet the Company's expenses and operating cash requirements. The amount of distributions and dividends, if any, which may be paid from any acquired business to the Company will depend on many factors, including such business' results of operations and financial condition, limits on dividends under applicable law, its constitutional documents, documents governing any indebtedness of the acquired business and other factors which may be outside the control of the Company. If an acquired business is unable to generate sufficient cash flow, the Company may be unable to pay its expenses or make distributions or dividends on the Ordinary Shares.

1.13 Acquiring a controlling interest in a single company or business will increase the risk of loss associated with underperforming assets

If the Company completes only one Acquisition, its business risk will be concentrated in a single company or business. A consequence of this is that returns for Shareholders may be adversely affected if growth in the value of the acquired business is not achieved or if value of the acquired business or any of its material assets subsequently are written down. Accordingly, investors should be aware that the risk of investing in the Company could be greater than investing in an entity which owns or operates a range of businesses and businesses in a range of sectors. The Company's future performance and ability to achieve positive returns for Shareholders may, in circumstances where the Company acquires an interest in a single company or business only, be solely dependent on the subsequent performance of that one acquired business. There can be no assurance that the Company will be able to propose effective operational and restructuring strategies for any company or business which the Company acquires and, to the extent that such strategies are proposed, there can be no assurance they will be implemented effectively.

2. RISKS RELATING TO THE COMPANY'S PERSONNEL

2.1 The Company's relationship with the Directors and conflicts of interest

None of the Directors are required to commit their full time to the Company's affairs, which could create a conflict of interest when allocating their time between the Company's operations and their other commitments. The Company does not intend to have any executive officers or full-time employees prior to the completion of any investment or Acquisition. The Directors are engaged in other business endeavours and are not obligated to devote any significant number of hours to the Company's affairs. If the Directors' other business affairs require them to devote more substantial amounts of time to such affairs, it could limit their ability to devote time to the Company's affairs and could have a negative impact on the Company's ability to complete an Acquisition.

Each of the Directors has, is currently or may in the future become affiliated with or have financial interests in entities, including certain special purpose acquisition companies, engaged in business activities similar to those intended to be conducted by the Company. In addition, the Directors may become aware of business opportunities that may be appropriate for presentation to the Company. In such instances, they may decide to present these business opportunities to other entities with which they are or may be affiliated, in addition to, or instead of, presenting them to the Company. Due to these existing or future affiliations, the Directors may have fiduciary obligations to present potential Acquisition opportunities to those entities prior to presenting them to the Company which could cause conflicts of interest in the future.

The Directors may in the future also enter into related party transactions with the Company, which may give rise to future conflicts of interest between the Company and the Directors.

2.2 The Board of Directors may need to appoint consultants or operating partners with specialist industry and technical knowledge

Whilst the Board comprises two knowledgeable and experienced professionals with extensive experience of making international acquisitions and advising on corporate finance transactions, the Company may need to contract with consultants who have more industry knowledge and technical experience in order to assist with identifying or selecting a target in respect of an Acquisition or to assist with certain operational matters following an Acquisition. Contracting additional personnel will mean the Company will have higher operating costs which will have a negative impact on the funds available to the Company for Acquisitions.

2.3 The Company may be unable to hire or retain personnel required to support the Company after an Acquisition

Following completion of an Acquisition, the Company will evaluate the personnel of the acquired business and may determine that it requires increased support to operate and manage the acquired business in accordance with the Company's overall business strategy. There can be no assurance that existing personnel of the acquired business will be adequate or qualified to carry out the Company's strategy, or that the Company will be able to hire or retain experienced, qualified employees to carry out the Company's strategy.

3. RISKS RELATING TO LEGAL AND REGULATORY MATTERS

3.1 The Company is currently tax resident in Jersey which could change following an Acquisition and impact possible returns to Shareholders

Since incorporation the Company has been managed and controlled from Jersey and it is anticipated that it will continue to be managed and controlled from Jersey. The Company is currently considered to be resident in Jersey for tax purposes. However, the location of the management and control of the Company may change in the future following an Acquisition which may affect the Company's tax residency and therefore the Company's tax position. Any change in the Company's tax status could affect the Company's ability to provide returns to Shareholders or alter post tax returns to Shareholders. The actual taxation status of the Company will be dependent on the activities of the Company going forward. To the extent that the target(s) which the Company acquires is or are established outside of Jersey, it is possible that any return the Company receives from it may be reduced by irrecoverable foreign withholding or other local taxes and this may reduce any net return derived by Shareholders from an investment in the Company.

3.2 The Company may be subject to risks particular to one or more countries in which it ultimately operates, which could negatively impact its operations

The Company may make an acquisition of a target company or business in the UK or internationally, and such company or business could have substantial operations in, a number of jurisdictions, any of which may expose it to considerations or risks associated with companies operating in such jurisdictions, including but not limited to: regulatory and political uncertainty; tariffs, trade barriers and regulations related to customs and import/export matters; international tax issues, such as tax law changes and variations in tax laws; cultural and language differences; rules and regulations on currency conversion or corporate withholding taxes on individuals; currency fluctuations and exchange controls; employment regulations; crime, strikes, riots, civil disturbances, terrorist attacks and wars; and deterioration of relevant political relations. If one or more of those risks materialises, this could negatively impact the Company's operations.

3.3 The Company may be subject to foreign investment and exchange risks

The Company's functional and presentational currency is Pounds Sterling. As a result, the Company's consolidated financial statements will carry the Company's assets in Pounds Sterling. Any target the Company acquires may denominate its financial information in a currency other than Pounds Sterling or conduct operations or make sales in currencies other than Pounds Sterling. When consolidating a business that has functional currencies other than Pounds Sterling, the Company will be required to translate, *inter alia*, the balance sheet and operational results of such business into Pounds Sterling. Among the factors that may affect currency values are trade balances, levels of short-term interest

rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political or regulatory developments. The Company may seek to manage its foreign exchange exposure, including by active use of hedging and derivative instruments, but there is no assurance that such arrangements will be entered into or available at all times when the Company wishes to use them or that they will be sufficient to cover the risk. Accordingly, changes in exchange rates between the Pound Sterling and other currencies could lead to significant changes in the Company's reported financial results from period to period.

3.4 Risk of damage to reputation and negative publicity

The Company's ability to attract further investment and to participate in Acquisitions (including obtaining financing for new Acquisitions) is dependent on the Company maintaining a good reputation. Any perceived, actual or alleged mismanagement, fraud or failure to satisfy the Company's responsibilities, or the negative publicity resulting from such activities or the allegation by a third party of such activities (whether well founded or not) associated with the Company, could have a material adverse effect on the ability of the Company to attract further investment, participate in Acquisitions and obtain financing for new Acquisitions, which could have a material adverse effect on the financial condition, results or operations of the Company.

3.5 Holding company structure and restrictions on dividends

The Company's operating results and its financial condition will be dependent on the trading performance of any Acquisitions to be made by the Company. Acquisitions may result in a group structure whereby the Company's ability to pay dividends will depend on the level of distributions, if any, received from members of the Group which may from time to time be subject to restrictions on their ability to make distributions to the Company as a result of factors such as foreign exchange limitations, regulatory, fiscal or other restrictions. There can be no assurance that such restrictions will not have a material adverse effect on the Company's business, operating results and financial condition.

3.6 Litigation and claims

Upon completion of an Acquisition, and depending on the nature of the business and assets acquired, the Company may be subject to complaints or claims relating to the acquired business and other legal proceedings, with or without merit may arise from time to time. There is no certainty that such claims or complaints will not be material and that any settlements, awards or legal expenses associated with defending or appealing against any decisions in respect of any such complaints or claims will not have a material adverse effect on the Company's operating results or financial condition. The Company's business may be materially adversely affected if the Company and/or its employees or agents or those of any business it acquires are found not to have met the appropriate standard of care or exercised their discretion or authority in a prudent or appropriate manner in accordance with accepted standards. Without appropriate insurance, the Company will not be covered for its financial obligations in the event that legal proceedings or claims are brought against the Company in respect of uninsured risks, potentially exposing the Company to significant costs. It is the Company's intention to take out appropriate insurance policies for the Company depending on the activities of the Company from time to time. Even if the Company maintains insurance in respect of such risks, there is no guarantee that any insurance in place will cover all or any part of any liability incurred by the Company in any such circumstances.

4. RISKS RELATING TO THE ORDINARY SHARES

4.1 If a proposed Reverse Takeover by the Company is announced or leaked, the listing of the Ordinary Shares may be suspended owing to insufficient information being available, which will reduce liquidity in the Ordinary Shares, potentially for a significant period of time, and may adversely affect the price at which a Shareholder can sell Ordinary Shares

It is the Company's duty under the Listing Rules to contact the FCA as early as possible before announcing a Reverse Takeover which has been agreed or is in contemplation, to discuss whether a suspension of the listing is appropriate, or where details of a Reverse Takeover have been leaked, to request a suspension of the Company's securities. The FCA retains a general power to suspend a company's securities where it considers it necessary to protect investors. The FCA may decide to exercise such power where the Company undertakes a transaction which would constitute a Reverse Takeover. The Listing Rules provide that generally when a Reverse Takeover of a shell company is announced or leaked, there will be insufficient information in the market about the proposed transaction

and the listed shell company will be unable to assess accurately its financial position and inform the market appropriately, so suspension of trading in the listed shell company's securities will often be appropriate. The general presumption of suspension does not apply to listed companies that are not shell companies, but suspension of trading in the listed company's securities will still be appropriate if there is insufficient information in the market about the proposed transaction. Any such suspension would be likely to continue until sufficient financial information on the transaction is made public and the period during which the Ordinary Shares would be suspended may therefore be significant. Depending on the nature of the Acquisition and the stage at which it is announced or leaked, it may take a substantial period of time to compile the relevant information, particularly where a target does not have financial or other information readily available which is comparable with the information a listed company would be expected to provide. If the Ordinary Shares have been suspended from trading for more than six months, the listing will be cancelled. A suspension or, as discussed below, cancellation of the Ordinary Shares would materially reduce liquidity in the Ordinary Shares which may affect a Shareholder's ability to realise some or all of his investment and/or the price at which such Shareholder can effect such realisation.

4.2 The Company's listing will be cancelled on completion of a Reverse Takeover and, if the Ordinary Shares are not readmitted to the Official List or admitted to trading on AIM or an alternative share trading platform, this will reduce liquidity in the Ordinary Shares, potentially for a significant period of time, and may adversely affect the price at which a Shareholder can sell them

The Listing Rules provide that the FCA will generally seek to cancel the listing of a company's equity securities when it completes a Reverse Takeover. In such circumstances, the Company must seek readmission to the Official List or admission to trading on AIM or an alternative share trading platform at the time of completion of any such Reverse Takeover. The process involved would require publication of a prospectus and it would be necessary for the Company as enlarged by the Acquisition to meet the eligibility requirements set by the FCA in order to be readmitted to the Official List. Similarly, the Company would be required to publish certain documentation and meet the eligibility requirements of the relevant stock exchange. However, there is a risk that such eligibility criteria will not be met and therefore there is no guarantee that such readmission or admission would be granted. In particular, the FCA published consultation paper CP21/21 in July 2021 which notes its intention to consider amending the eligibility criteria such that issuers seeking admission or readmission to the Official List must have a minimum market capitalisation of £50 million. The results of the consultation have not yet been published and there is no certainty on what the minimum market capitalisation will be, but any amendments are expected to come into force in 2021. If an Acquisition is completed after these new eligibility requirements come into effect, the Company as enlarged by the Acquisition would require a minimum market capitalisation of £50 million (or such other amount as the FCA determines pursuant to the response to the consultation paper) in order to be readmitted to the Official List. If the Company as enlarged by the Acquisition did not meet these minimum market capitalisation requirements, it would need to seek admission to trading on AIM or an alternative share trading platform, or cancel its listing altogether. A cancellation of the listing of the Ordinary Shares would materially reduce liquidity in the Ordinary Shares, which may affect a Shareholder's ability to realise some or all of his investment and/or the price at which such Shareholder can affect any such realisation.

4.3 The proposed Standard Listing of the Ordinary Shares will afford Shareholders a lower level of regulatory protection than a Premium Listing

Application will be made for the Ordinary Shares to be admitted to the Standard Listing segment of the Official List. A Standard Listing will afford Shareholders a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules. A Standard Listing will not permit the Company to gain a FTSE indexation, which may have an adverse effect on the valuation of the Ordinary Shares. Further details regarding the differences in the protections afforded by a Premium Listing as against a Standard Listing are set out in the section entitled "Consequences of a Standard Listing" on page 20 of this Document.

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

The Company does not intend to pay dividends on the Ordinary Shares in the foreseeable future. The Company will only pay dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and subject to its obligations under the Companies Law, but will be principally reliant upon dividends received on shares held by the Company in order to do so. Payments of such dividends will be dependent on the availability of distributable reserves. The Company can therefore give no assurance that it will be able to pay dividends in the future or as to the amount of such dividends, if any.

4.5 There is currently no market for the Ordinary Shares, notwithstanding the Company's intention to be admitted to trading on the London Stock Exchange. A market for the Ordinary Shares may not develop, which would adversely affect the liquidity and price of the Ordinary Shares

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

4.6 The cost to the Company of complying with its continuing obligations under the Listing Rules, Prospectus Regulation Rules and Disclosure Guidance and Transparency Rules will be financially material

The cost to the Company of complying with its continuing obligations under the Listing Rules, Prospectus Regulation Rules and Disclosure Guidance and Transparency Rules will be financially material due to the relatively small size of the Company on Admission. If the Company is unable to complete an Acquisition within three years of Admission, these costs may become difficult to sustain for a materially longer period.

The listing of the Company's securities may be cancelled if the Company no longer satisfies its continuing obligations under the Listing Rules, which includes that a sufficient number of Ordinary Shares are in public hands (as defined in the Listing Rules) at all times.

CONSEQUENCES OF A STANDARD LISTING

Application has been made for the Ordinary Shares to be admitted to the standard segment of the Official List (“**Standard Listing**”). A Standard Listing affords Shareholders and investors in the Company a lower level of regulatory protection than that afforded to investors in companies whose securities are admitted to the premium segment of the Official List, which are subject to additional obligations under the Listing Rules. The Ordinary Shares will be admitted to listing on the standard segment of the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings and does not require the Company to comply with, *inter alia*, the provisions of Chapters 6 and 8 to 13 of the Listing Rules. The Company will comply with the Listing Principles set out in Chapter 7 of the Listing Rules which apply to all companies with their securities admitted to the Official List.

Listing Rules which are not applicable to a Standard Listing

Such non-applicable Listing Rules include, in particular:

- Chapter 8 of the Listing Rules regarding the appointment of a listing sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. In particular, the Company is not required to appoint a sponsor in relation to the publication of this Document or Admission;
- Chapter 9 of the Listing Rules relating to further issues of shares, issuing shares at a discount in excess of ten (10) per cent. of market value, notifications and contents of financial information;
- Chapter 10 of the Listing Rules relating to significant transactions which requires shareholder consent for certain acquisitions;
- Chapter 11 of the Listing Rules regarding related party transactions (however the related party transaction rules pursuant to DTR 7.3 do apply to the Company);
- Chapter 12 of the Listing Rules regarding purchases by a company of its shares; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to shareholders.

Listing Rules with which the Company must comply under a Standard Listing

There are, however, a number of continuing obligations set out in Chapter 14 of the Listing Rules that will be applicable to the Company. These include requirements as to:

- the forwarding of circulars and other documentation to the National Storage Mechanism and related notifications to a regulatory information service;
- the provision of contact details of appropriate persons nominated to act as a first point of contact with the FCA in relation to compliance with the Listing Rules and the Disclosure Guidance and Transparency Rules;
- the form and content of temporary and definitive documents of title;
- the appointment of a registrar;
- the making of regulatory information service notifications in relation to a range of debt and equity capital issues; and
- the requirement for at least 25 per cent. of the Ordinary Shares to be in public hands.

In addition, as a company whose securities are admitted to trading on a regulated market, the Company will be required to comply with the Disclosure Guidance and Transparency Rules.

The Company is not currently eligible for a Premium Listing under Chapter 6 of the Listing Rules. Following the Acquisition, the Directors may seek to transfer the Company from a Standard Listing to either a Premium Listing or other appropriate listing venue, based on the track record of the company or business it acquires (although there can be no guarantee that the Company will fulfil the relevant eligibility criteria at the time and that a transfer to a Premium Listing or other appropriate stock market will be achieved). Alternatively, it may determine to seek re-admission to a Standard Listing, subject to eligibility criteria. If a transfer to a Premium Listing is possible (and there can be no guarantee that it will be) and the Company decides to transfer to a

Premium Listing, the various Listing Rules highlighted above as rules with which the Company is not required to comply will become mandatory and the Company will comply with the continuing obligations contained within the Listing Rules (and the Disclosure Guidance and Transparency Rules) in the same manner as any other company with a Premium Listing.

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

IMPORTANT INFORMATION

In deciding whether or not to invest in Ordinary Shares prospective investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Directors. Without prejudice to the Company's obligations under the FSMA, the Prospectus Regulation Rules, Listing Rules, Disclosure Guidance and Transparency Rules and MAR, neither the delivery of this Document nor any placing of Ordinary Shares made under this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information contained herein is correct as at any time after its date.

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

The section headed "Summary" should be read as an introduction to this Document. Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole by the investor. In particular, investors must read the section headed "Risks Factors" of the Summary together with the risks set out in the section headed "Risk Factors" set out at page 11 of this Document. Any reproduction or distribution of this Document, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Ordinary Shares hereby is prohibited.

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

- (a) in which such offer or invitation is not authorised;
- (b) in which the person making such offer or invitation is not qualified to do so; or
- (c) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation.

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

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

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

The Ordinary Shares have not been approved or disapproved by the SEC, any federal or state securities commission in the United States or any other regulatory authority in the United States, not have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Ordinary Shares or confirmed the accuracy or determined the adequacy of the information contained in this Document. Any representation to the contrary is a criminal offence in the United States.

Jersey regulatory statements

A copy of this document has been delivered to the registrar of companies in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, and the registrar has given, and has not withdrawn, consent to its circulation. The Jersey Financial Services Commission has given, and has not withdrawn, its consent under Article 2 of the Control of Borrowing (Jersey) Order 1958 to the issue of securities in the Company. It must be distinctly understood that, in giving these consents, neither the registrar of companies nor the Jersey Financial Services Commission takes any responsibility for the financial soundness of the Company or for the correctness of any statements made, or opinions expressed, with regard to it. If you are in any doubt about the contents of this Document you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. The Directors have taken all reasonable care to ensure that the facts stated in this Document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. All the Directors accept responsibility accordingly. It should be remembered that the price of securities and the income from them can go down as well as up.

Data protection: Personal Data Collection Notice

When an application is made to subscribe for Ordinary Shares in the Company, the Company and/or the Registrar will collect data about the prospective Shareholder, such as the name of the Shareholder, their address, the number of Ordinary Shares they subscribe or wish to subscribe for, account details, and proof of identity, together with such other personal data as is required in connection with the administration of the prospective Shareholder's interest in the Company ("**Personal Data**"). This data will be held and processed by the Company (and any third party in the United Kingdom to whom it may delegate certain administrative functions in relation to the Company) and/or the Registrar in accordance with applicable data protection legislation and regulatory requirements of the United Kingdom. It will be stored on the Company's and/or the Registrar's or other third party processor's computer systems and manually, and will be retained for as long as is necessary in order to administer the interests in the Company and for any period thereafter which is required in order for the Company to comply with its reporting obligations.

The Company is required by Data Protection Legislation to specify the purposes for which it will hold Personal Data. The Company and/or the Administrator (together with any third party, functionary, or agent appointed by the Company) will use and process such data for the following purposes:

- (a) for or in connection with the holding of an interest in the Company, including processing Personal Data in connection with credit and money laundering checks on the prospective Shareholder;
- (b) to communicate with the prospective Shareholder as necessary in connection with the proper running of the Company's business affairs and generally in connection with the holding of an interest in the Company;
- (c) to provide Personal Data to such third parties as are or shall be necessary in connection with the proper running of the Company's business affairs and generally in connection with the holding of an interest in the Company or as Data Protection Legislation may require, including to third parties outside the United Kingdom or the European Economic Area (subject to the use of a transfer mechanism which is approved at the relevant time by the European Commission or any other regulatory body which has or acquires the right to approve methods of transfer of Personal Data outside the UK); and
- (d) for the Company and/or the Administrator's internal record keeping and reporting obligations.

The legal basis for processing Personal Data for the purposes set out above, is the legitimate interests of the Company and/or the Administrator in carrying out the business of the Company and administering the interests in the Company and/or (in some cases) that the processing is necessary for compliance with a legal obligation to which the Company and/or the Administrator is subject.

The Company is a data controller in respect of Personal Data and for the purpose of Data Protection Legislation. All prospective Shareholders whose Personal Data has been submitted in connection with an application for an interest in the Company have a right to:

- (a) be told about the data that the Company and/or the Administrator hold about them and to receive a copy of the information that constitutes Personal Data about them, on request;

- (b) request access to and rectification or erasure of Personal Data, restriction of processing concerning the prospective Shareholder, and the right to data portability (as set up in, and subject to limits imposed by Data Protection Legislation);
- (c) withdraw consent to processing, to the extent that processing is based on consent; and
- (d) lodge a complaint about processing with the UK data protection supervisory authority (the Information Commissioners Office).

If you wish to exercise any of these rights, or wish to contact the Company and/or the Administrator about your Personal Data, you should submit a written application to the Company at its registered address.

Where a third party provides Personal Data about a prospective Shareholder to the Company and/or the Administrator, the third party represents and warrants to the Company and/or the Administrator, that it has collected and transferred such data to the Company and/or the Administrator in accordance with Data Protection Legislation.

Investment considerations

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

- (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares;
- (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and
- (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares or distributions by the Company, either on a liquidation and distribution or otherwise.

Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

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

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

This Document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Memorandum and Articles of the Company, which investors should review. A summary of the memorandum and Articles of the Company is contained in paragraph 3 of Part VI (*Additional Information*) of this Document.

Forward looking statements

This Document includes statements that are, or may be deemed to be, "forward looking statements". In some cases, these forward looking statements can be identified by the use of forward looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "should" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, among other things: (i) the Company's objectives, acquisition and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future deal flow and implementation of active management strategies, including with regard to the Acquisition. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on

circumstances that may or may not occur in the future. Forward looking statements are not guarantees of future performances. The Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies may differ materially from the forward looking statements contained in this Document. In addition, even if the Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies are consistent with the forward looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to:

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

Prospective investors should carefully review the "Risk Factors" section of this Document for a discussion of additional factors that could cause the Company's actual results to differ materially, before making an investment decision.

Forward looking statements contained in this Document apply only as at the date of this Document. Subject to its legal and regulatory obligations, including any obligations under Listing Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation Rules or the Takeover Code, the Company undertakes no obligation publicly to update or review any forward looking statement, whether as a result of new information, future developments or otherwise.

For the avoidance of doubt, nothing in this paragraph constitutes a qualification of the working capital statement contained in paragraph 11 of Part VI (*Additional Information*) of this Document.

Presentation of financial information

The financial information presented in this Document comprises audited financial information for the Company for the period from incorporation on 31 March 2021 to 30 April 2021.

The non-statutory financial information has been prepared in accordance with the International Financial Reporting Standards.

Rounding

Percentages and certain amounts in this Document, including financial, statistical and operating information, have been rounded to the nearest whole number or single decimal place for ease of presentation. As a result, the figures shown as totals may not be the precise sum of the figures that precede them. In addition, certain percentages and amounts contained in this Document reflect calculations based on the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages or amounts that would be derived if the relevant calculations were based upon the rounded numbers.

Third party data

Where information contained in this Document has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware, and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Currency presentation

Unless otherwise indicated, all references in this Document to “Pounds Sterling” or “£” are to the lawful currency of the UK.

No incorporation of website

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

Definitions

A list of defined terms used in this Document is set out in Part VII (*Definitions*) of this Document.

Governing Law

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

DIRECTORS AND ADVISERS

Directors	Peter William Gregory Tom CBE (<i>Non-executive Chairman</i>) David Jeffreys Williams (<i>Non-executive Director</i>)
Secretary and Administrator	JTC Plc 28 Esplanade St. Helier Jersey JE2 3QA
Registered office	28 Esplanade St. Helier Jersey JE2 3QA
Reporting Accountants	MacIntyre Hudson LLP Pennant House, 1-2 Napier Court Napier Road Reading RG1 8BW
Solicitors to the Company (as to English law)	Mayer Brown International LLP 201 Bishopsgate London EC2M 3AF
Solicitors to the Company (as to Jersey law)	Ogier (Jersey) LLP 44 Esplanade St Helier Jersey JE4 9WG Channel Islands
Registrar	Link Market Services (Jersey) Limited 12 Castle Street St Helier Jersey JE2 3RT
Financial Public Relations	Montfort Communications Limited 2nd Floor, Berkeley Square House Berkeley Square London W1J 6BD
Website	www.baycapitalplc.com

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>Time and/or date</i>
Publication of this Document	27 September 2021
Admission and commencement of dealings in Ordinary Shares on the Main Market	30 September 2021
Delivery of Ordinary Shares into CREST	30 September 2021
Ordinary Share certificates despatched	Within 10 Business Days of Admission

All times shown in this Document are London times unless otherwise stated. The dates and times given are indicative only and may be subject to change. If any of the times and/or dates above change, the revised times and/or dates will be notified to Shareholders by announcement through a regulatory information service.

ADMISSION AND PLACING STATISTICS

	<i>Amount</i>
Total number of Existing Ordinary Shares issued at the date of this Document and prior to Admission	30,000,000
Total number of Placing Shares issued conditional on Admission	40,000,000
Total number of Warrants issued at the date of this Document and prior to Admission	30,000,000
Total number of Warrants issued to Placees conditional on Admission	40,000,000
Total number of Ordinary Shares in issue following Admission	70,000,000
Price per Placing Share	£0.10
Estimated proceeds of Placing receivable by the Company	£4 million
Estimated Admission and Placing costs (exclusive of VAT)	£272,125
Estimated Net Proceeds receivable by the Company ⁽¹⁾	£6,727,875
Market capitalisation of the Company on Admission	£7 million

(1) Net Proceeds incorporates the funds received in relation to the Placing prior to the date of this Document less any expenses paid or payable in connection with Admission and the Placing (which have not already been paid out of the £3 million raised prior to Admission from the issue and allotment of Ordinary Shares at a price of £0.10 per Ordinary Share).

DEALING CODES

ISIN:	JE00BKVHVW88
SEDOL:	BKVHVW8
Ticker	BAY
LEI	213800F59868OZQU6E56

PART I

INFORMATION ON THE COMPANY, INVESTMENT OPPORTUNITY AND STRATEGY

1. INTRODUCTION

The Company is a company which was incorporated and registered in Jersey as a private limited company on 31 March 2021 under the Companies (Jersey) Law 1991. It was re-registered as a public company on 8 September 2021. The Company's LEI is 213800F59868OZQU6E56.

The Company was established to undertake one or more Acquisition opportunities of businesses operating within the UK or internationally where the Directors believe there to be opportunities for the creation of Shareholder value.

On Admission, the Company will be authorised to issue one class of Ordinary Shares. It is intended that the Ordinary Shares will be admitted by the FCA to the Official List (by way of a Standard Listing) in accordance with Chapter 14 of the Listing Rules and to trading on the Main Market of the London Stock Exchange. Prior to Admission, the Company had raised approximately £3 million by the issue of 29,999,980 Ordinary Shares for a price of £0.10 per share. In conjunction with this, the Company proposes to raise up to £4 million before expenses incurred by the Company in connection with the Placing, conditionally on Admission, through the issue of Placing Shares to certain investors, further details of which are set out in paragraph 11 of this Part I (*Information on the Company, investment opportunity and strategy*).

2. INVESTMENT AND ACQUISITION STRATEGY

The Company will retain a flexible investment and acquisition strategy which will, subject to appropriate levels of due diligence, enable it to deploy capital in target companies by way of minority or majority investments, or full Acquisitions where it is in the interests of Shareholders to do so. This will include transactions with target companies located across the UK and internationally.

It is anticipated by the Directors that Acquisition opportunities could be with private companies, other listed business, or via the Acquisition of divisional or non-core carve outs. Transactions are likely to be funded through a combination of cash and share consideration, and therefore the Directors anticipate further funds will be required in order to finance these Acquisitions by way of further placings of new Ordinary Shares alongside bank financing. Where bank financing is used, it is anticipated that the Company will only incur moderate levels of corporate leverage in support of its strategy.

The Company's strategic aim is to drive Shareholder value through the Acquisition of target companies in certain sectors where the Directors believe there to be sustainable growth opportunities both organically, and through acquisition. The Company is seeking fundamentally sound assets, where tangible opportunities exist to drive strategic, operational and performance improvements. In particular, sectors of focus include industrials, construction and business services, and software and technology companies which service those industry verticals. While the Company retains sector flexibility regarding its initial Acquisition, it is intended that subsequent investments and acquisitions will be of complementary businesses to that of the initial Acquisition. Where target companies are acquired, the Directors and incoming management teams will seek to drive operational improvements and best practice to unlock revenue and cost synergies.

The market capitalisation of the Company on Admission is likely to be relatively small compared with the value of any Acquisitions, so the Directors intend to offer new Ordinary Shares as a material element of the consideration for financing future acquisitions. Any Acquisition is expected to be of a business valued at substantially more than the Company and will constitute a Reverse Takeover under the Listing Rules, which will require the Company's Standard Listing to be cancelled on completion of the Acquisition. The Company intends either to seek readmission to a Standard Listing following completion of the Acquisition, or to seek admission to an alternative share trading platform, such as AIM which will be entirely dependent on the business to be acquired and market opportunities at that time. The process for readmission to the Official List following a Reverse Takeover would require publication of a prospectus and it would be necessary for the Company as enlarged by the Acquisition to meet the eligibility requirements set by the FCA in order to be readmitted to the Official List.

In the event that the Directors propose that, following completion of an Acquisition and cancellation of the Standard Listing, the Company should apply for admission to trading on AIM, this would require the publication of an admission document, in line with the AIM Rules for Companies published by the London Stock Exchange.

Whilst neither: (i) an Acquisition; (ii) readmission to the Standard Listing; or (iii) admission to AIM, would of themselves require Shareholder consent, such consent may be required to approve the issue of new Ordinary Shares in connection with any Acquisition and Shareholder consent may also be required if the sellers of the relevant target company are to receive a controlling stake in the Company as part of the transaction, which may also result in a person or concert party owning 30 per cent. or more of the issued Ordinary Shares and, therefore, voting rights of the Company. If that were to occur, it is expected that the Company would apply to the Takeover Panel for a waiver of Rule 9 of the Takeover Code, subject to a vote of independent Shareholders (known as a 'Whitewash'). The information required under the Takeover Code for a Whitewash would be incorporated in a circular to be sent to Shareholders and would require the approval of independent shareholders, on a poll, at a general meeting.

An Acquisition is more likely to be successfully completed if the vendors agree to receive new Ordinary Shares as a material element of the consideration and the Company is able to raise additional funds through the issue of new Ordinary Shares. The Directors expect that the completion of an Acquisition will be conditional on these events.

If the Company has not completed an Acquisition before the third anniversary of Admission, the Board will consider at that time whether to make a recommendation on the direction of the Company (whether that be to continue searching for Acquisition opportunities or to discontinue and wind-up the Company) to Shareholders at a general meeting to permit them to vote on such matters. The Board will make a decision on such matters based on the information available at that time including likely timeframe for an Acquisition.

3. TRANSACTION IDENTIFICATION, TARGET CHARACTERISTICS AND DUE DILIGENCE APPROACH

3.1 Sourcing Acquisition opportunities

The Directors have established, deep relationships within the UK investment community and certain other industry sectors, which they believe in the past has yielded positive transaction flow on a proprietary basis. Additional detail with regards to the Directors' expertise is set out in paragraph 8 of this Part I (*Information on the Company, investment opportunity and strategy*).

As well as utilising the Directors' relationships within the UK investment community and certain other industry sectors, the Company will also seek to systematically screen certain territories and market sectors for Acquisition opportunities where they believe there are market dynamics and characteristics conducive to the generation of Shareholder value.

This screening approach will also be supported through the Company partnering with industry leading operating partners on a project-by-project basis, where their specific domain expertise can be accessed, as well as the identification of exceptional management teams with deep industry knowledge, expertise and track records which can be applied in the pursuit and delivery of value for Shareholders. No such operating partners have been identified to date.

Apart from the Company's entry into a strategic advisory agreement with Tessera Investment Management Limited (as further detailed in paragraph 14.6 of Part VI (*Additional Information*) of this Document), the Company has not to date entered into any agreements to source Acquisition opportunities.

3.2 Key target opportunity characteristics

The Directors will look to identify opportunities in line with the following parameters:

- (a) stable or growing sectors, with opportunities for consolidation;
- (b) target companies with:
 - (i) leading and defensible market positions;

- (ii) recurring and repeatable revenue streams;
- (iii) profitable and cash flow positive or clear path to profitability and cash flow generation;
- (iv) scalable and operationally geared;
- (v) potential for operational improvement standalone or part of an enlarged group; and
- (vi) strong operating teams with deep domain expertise.

3.3 Due diligence approach

The Company has entered into a strategic advisory agreement with Tessera Investment Management Limited (“**Tessera**”), as further detailed in paragraph 14.6 of Part VI (*Additional Information*) of this Document. Tessera is a provider of specialist IPO, acquisition and capital raising transaction support services. The Directors, supported by the Company’s Strategic Advisor, have considerable experience in evaluating Acquisition opportunities prior to committing the Company to professional adviser fees associated with a formal due diligence processes. At the outset, the Directors will be disciplined in their approach to assessing Acquisition opportunities on behalf of the Company in line with the criteria detailed above. This will include internal review of the market opportunity and barriers to entry, the competitive positioning of the target company, its historic and expected forecast financial performance, quality of its management team, and comprehensive valuation analysis.

The Directors expect that, following completion of the internal phase of diligence, and to the extent the Company is able to agree non-binding heads of terms with the target company, the Company will then, under a period of exclusivity, enter into a formal diligence phase, which will be coordinated by the Company and will include the appointment of professional advisers to conduct due diligence. By remaining disciplined in this diligence approach, the Directors believe that the Company will be in a strong position to manage its cash resources effectively while undertaking the evaluation and assessment of Acquisition opportunities.

4. THE COMPANY’S COMPETITIVE STRENGTHS

Execution of growth strategies: The Directors and the Company’s Strategic Advisor have substantial experience in executing growth strategies within a public markets setting as both principal and advisers. In particular, this has included the leading of accelerated buy-and-build strategies which have delivered significant value for relevant shareholders.

Strong network of operating partners: Through substantial years working within the UK investment community and within industry, the Directors and the Company’s Strategic Advisor have established a considerable network of best-in-class operating partners and management teams with deep domain expertise which are able to provide strategic and tactical input into the Company’s investment process and where circumstances permit, support or lead the execution of the Company’s growth strategy.

Disciplined acquisition approach: As detailed in paragraph 3.3 of this Part I (*Information on the Company, investment opportunity and strategy*), the Directors, with the support of the Company’s Strategic Advisor, will adhere to the Company’s acquisition evaluation and assessment framework to ensure objective review of opportunities is carried out before external costs are committed to by way of external diligence activities, and only then under a period of exclusivity. Furthermore, the Directors do not currently intend to participate in auction processes, where there cannot be a sufficient level of certainty around the execution of any transaction and which would involve incurring substantial costs.

Transacting capability and experience: The Directors and the Company’s Strategic Advisor have substantial experience of transactions within a public markets setting, both through the IPOs of private companies and follow on public company acquisitions and capital raising activities. Navigating the public markets while at the same time executing an accelerated growth strategy has been a core support proposition provided by the Directors and the Company’s Strategic Advisor over the past 20 years.

Attractive alternative for target companies: As a Main Market listed company, the Directors believe that the Company is an attractive solution for management teams of target companies as it provides for an alternative monetisation and growth opportunity compared to private capital funding options. In particular, this includes access to patient growth capital via institutional investors, greater visibility and promotion as a

publicly listed company, increased liquidity for secondary share dealing, and greater strategic and operational autonomy within a moderately levered capital structure.

Collective alignment with Shareholders: Through appropriate incentivisation programmes, designed to drive value and build towards future monetisation events, the Directors have implemented reward structures within the Company which align with the interests of the Company's current and prospective Shareholders in the delivery of Shareholder value over a sustained period. Please refer to paragraph 8 of Part V (*Directors, advisory team and Corporate Governance*) of this Document for a description of the current incentivisation programmes of the Company, which may be expanded following any Acquisitions.

5. SIGNIFICANT RECENT TRENDS

The Company has not yet commenced business. There are no known trends affecting the Company and the industry sectors(s) in which it may operate.

6. CAPITAL AND RETURNS MANAGEMENT

As a result of the Net Proceeds and expected minimal operating costs of the Company, the Directors do not envisage that further funding will be required for working capital purposes in the first 12 months. However, the Directors do believe that in order to pursue sizable transactions where the Directors believe there is a reasonable prospect of securing the target assets, or to fund any material cash consideration payable on completion of an Acquisition, further equity capital raisings by the issue of new Ordinary Shares will most likely be required by the Company. These funding amounts could be considerable but at the date of this Document cannot be determined.

The Company expects that any returns for Shareholders would derive primarily from capital appreciation of the Ordinary Shares and any dividends paid pursuant to the Company's dividend policy set out in paragraph 12 of this Part I (*Information on the Company, investment opportunity and strategy*).

If an Acquisition has not been announced within three years of Admission, the Directors will put proposals to Shareholders either to return any remaining capital to Shareholders or to extend the period for identification of a suitable investment or Acquisition. The Directors' proposals will be put to a Shareholders' vote from which the Existing Shareholders will abstain.

7. WORKING CAPITAL AND REASON FOR ADMISSION

The Company is of the opinion that, taking into account the Net Proceeds receivable by the Company, the working capital available to it is sufficient for the Group's present requirements, that is for at least the next 12 months from the date of this Document.

Admission will enable the Company to:

- (a) increase its profile as a London listed entity, thereby promoting the Company and its strategy;
- (b) broaden its Shareholder base by attracting further institutional and retail capital both from within the UK and overseas;
- (c) provide access to future funding to finance its contemplated organic and Acquisition growth strategy, including the issue of new Ordinary Shares in conjunction with Acquisitions;
- (d) offer target company vendors a credible and attractive transaction alternative alongside traditional private capital funding options; and
- (e) provide potential liquidity for Shareholders by virtue of the Standard Listing.

8. DIRECTORS

The Directors believe the Board comprises knowledgeable and experienced professionals with relevant experience for sourcing, evaluating, structuring and executing transaction opportunities. The Board will have full responsibility for the Company's activities.

Peter William Gregory Tom CBE, Non-executive Chairman, aged 80

Peter is one of the aggregates industry's longest serving and most experienced executives, holding high-profile executive and non-executive roles serving publicly listed and private organisations in the industry, sport and the not-for-profit sector.

He most recently served as Executive Chairman of Breedon Group, (AIM: BREE) the UK's largest independent aggregates business, which he co-founded with David Williams (a Director of the Company) and Simon Vivian in 2008. Under Peter's leadership, Breedon grew from a £13 million AIM-traded cash shell into a business worth £1.5 billion, leading the consolidation of the UK aggregates industry.

Prior to establishing Breedon, Peter was the Chief Executive Officer and latterly Non-executive Chairman of Aggregate Industries, which he developed into a leading international building materials group before negotiating its sale to Holcim for £1.8 billion in 2005. His early career was spent at Bardon Hill Quarries, where he rose to become Chief Executive of the Bardon Group plc in 1985. He went on to lead Bardon's merger with Evered plc in 1991 and the enlarged group's subsequent merger with CAMAS in 1997 to form Aggregate Industries plc.

In 2006, Peter was awarded a CBE for services to Business and Sport. He holds Honorary Degrees from both Leicester and De Montfort University and is Chairman of Leicester Rugby Football Club, (Leicester Tigers) a role he has held for more than 20 years following a playing career comprising 130 appearances for the club as a lock forward between 1963 and 1968.

David Jeffreys Williams, Non-executive Director, aged 68

David has over 36 years' experience in investment markets, serving as Chairman in executive and non-executive capacities for a number of public and private companies. He has overseen the development of these companies, raising in excess of £1 billion of capital to support both organic and acquisitive growth initiatives.

David was the original founder of Marwyn Capital LLP, the award-winning investment management company. David was also formerly Chairman of Entertainment One Ltd. (LSE: ETO), Zetar plc, and Oxford BioDynamics Plc (AIM: OBD), and non-executive director of Breedon Group plc (AIM: BREE). He currently serves as Non-executive Chairman of the AIM-quoted cyber security business, Shearwater Group plc (AIM: SWG) and Main Market listed Acceler8 Ventures Plc (LSE: AC8).

Further information on the Directors is set out in paragraph 1 of Part V (*Directors, advisory team, and Corporate Governance*) of this Document.

9. CURRENT TRADING AND HISTORICAL FINANCIAL INFORMATION

The Company was incorporated on 31 March 2021. It has not yet traded and no interest income has been received to date. Since incorporation, its expenses have related to professional and associated expenses incurred in connection with the Placing and Admission. These expenses have been met from the proceeds of the issue of certain of the Existing Ordinary Shares, details of which are set out in paragraph 4(d) of Part VI (*Additional Information*) of this Document, which has been the only source of cash for the Company to date. At the date of this Document, the Company has cash at bank and in hand of £3 million.

An accountant's report on the historical Financial Information of the Group is also set out in paragraph 1 of Part III (*Financial Information of the Group*) of this Document and historical Financial Information of the Group for the period from incorporation to 31 March 2021 is set out in paragraph 2 of Part III (*Financial Information of the Group*) of this Document.

10. CAPITALISATION AND INDEBTEDNESS

The following tables show the Company's capitalisation and indebtedness as at 30 April 2021.

The Company was incorporated on 31 March 2021. Save for the publication of this Document and the matters described herein, the Company has not commenced operations and no income has been received to date. Only minimal expenses relating to professional or associated expenses in connection with the establishment of the Company and Admission were incurred from incorporation to 30 April 2021.

This section should be read in combination with paragraph 2 of Part III (*Financial Information of the Group*) of this Document.

30 April 2021
£

Capitalisation

Share capital	2
Other reserves	—
Total capitalisation	2

On 25 August 2021, the Company issued a further 29,999,980 Ordinary Shares at £0.10 each, for an aggregate consideration of £2,999,998 in cash. On Admission, the Company will issue a further 40,000,000 Placing Shares for an aggregate consideration of £4 million in cash. The aggregate nominal value of the issued share capital and paid up share premium of the Company on Admission will be £7 million consisting of 70,000,000 Ordinary Shares.

30 April 2021
£

Total current debt

Guaranteed	—
Secured	—
Unguaranteed / unsecured	—

Total non-current debt

Guaranteed	—
Secured	—
Unguaranteed / unsecured	—

Total indebtedness

There has been no material change in the Company's indebtedness from 30 April 2021 to the date of this Document.

The table below sets out the Company's indebtedness as at 30 April 2021.

30 April 2021
£

Cash	2
Cash equivalents	—
Trading securities	—
Liquidity	2
Current financial receivable	—
Current bank debt	—
Current portion of non-current debt	—
Other current financial indebtedness	—
Current financial debt	
Net current financial indebtedness	—
Non-current bank loans	—
Bonds issued	—
Other non-current financial debt	—
Non-current financial indebtedness	—
Net financial indebtedness	2

11. THE PLACING

Pursuant to the Placing, 40,000,000 Placing Shares have been conditionally subscribed for by the Placees at the Placing Price of £0.10 per Placing Share, in order to raise up to £4 million, net of fees and expenses. This is in addition to the 29,999,980 Ordinary Shares issued prior to Admission which raised approximately £3 million, net of fees and expenses. After estimated fees and expenses of approximately £272,125 (inclusive of VAT) in connection with the Admission and the Placing, the Net Proceeds are estimated to be £6,727,875.

The Placing Shares are being made available to investment professionals and high net worth, sophisticated and institutional investors in the UK only.

In accordance with Listing Rule 14.3, on Admission at least 25 per cent. of the Ordinary Shares will be in public hands (as defined in the Listing Rules).

The Placing is conditional on Admission. If Admission does not occur, the Placing will not proceed and all monies paid will be refunded to the applicants.

Completion of the Placing will be announced via a regulatory information service on Admission, which is expected to take place at 8.00 a.m. on 30 September 2021.

12. DIVIDEND POLICY

The Company recognises the importance of dividends however it does not intend to pay dividends on the Ordinary Shares following an Acquisition. Prior to an Acquisition, it is unlikely that the Company will have any earnings but, to the extent the Company has any earnings it is the Company's current intention to retain any such earnings for use in its business operations, and the Company does not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends to the extent that it is able to do so is in accordance with all applicable laws.

13. INDEPENDENCE OF THE BOARD

On Admission, neither of the Directors will be considered to be 'independent' members of the Board, as that term is defined in the QCA Code. It is expected that additional Directors, both executive and non-executive, will be appointed at the time of any Acquisition and independence will be one of the factors taken into account in determining the composition of the Board at that time.

14. DIRECTORS FEES

With effect from Admission, Peter William Gregory Tom CBE will be entitled to receive a gross annual fee of £30,000 through his service company Rise Rocks Limited and David Jeffreys Williams will be entitled to receive a gross annual fee of £20,000, payable monthly in arrears, plus reimbursement of all reasonable and properly documented expenses incurred in performing their duties.

Further details of the letters of appointment of the Directors are set out in paragraph 7 of Part V (*Directors, advisory team and Corporate Governance*) of this Document.

15. CONFLICTS OF INTEREST

Each of the Directors are not currently aware of any existing material conflicts of interest in relation to the Company. Potential areas for conflicts of interest for the Directors in relation to the Company include:

- (a) the Directors are required to commit a limited amount of time to the Company's affairs and, accordingly, they may have conflicts of interest in allocating management time among various business activities;
- (b) in the course of their other business activities, the Directors may become aware of investment and business opportunities which may be appropriate for presentation to the Company as well as the other entities with which they are affiliated and they may have conflicts of interest in determining to which entity a particular opportunity should be presented;
- (c) the Directors are or may in the future become affiliated with entities, including other special purpose acquisition companies, engaged in activities similar to those of the Company; and

- (d) the Directors may have a conflict of interest with respect to evaluating a particular Acquisition opportunity if the retention or resignation of any of the Directors were included by the vendors of a target company or business as a condition to any agreement with respect to the Acquisition of such target, or if the Directors were affiliated with or have an interest in the particular Acquisition opportunity being evaluated.

Accordingly, as a result of these multiple business affiliations, each of the Directors may have similar legal obligations to present business opportunities to multiple entities. In addition, conflicts of interest may arise when the Board evaluates a particular business opportunity.

The Directors have, or may come to have, other fiduciary obligations, including to other companies on whose board of directors they presently sit or to other companies whose board of directors they may join in the future. To the extent that they identify business opportunities that may be suitable for the Company or other companies on whose board of directors they may sit, the Directors will honour any pre-existing fiduciary obligations ahead of their obligations to the Company. Accordingly, they may refrain from presenting certain opportunities to the Company that come to their attention in the performance of their duties as directors of such other entities unless the other companies have declined to accept such opportunities or clearly lack the resources to take advantage of such opportunities. Additionally, the Directors may become aware of business opportunities that may be appropriate for presentation to the Company as well as other entities with which they are or may be affiliated.

The Articles contain provisions whereby a Director shall not vote on, or be counted in the quorum of any Board meeting in respect of, any matter in which he has, directly or indirectly, any material interest.

In accordance with the terms of the letters of appointment entered into by each of the Directors, further details of which are set out in paragraph 7 of Part V (*Directors, advisory team and Corporate Governance*) of this Document, a Director may be required to seek the agreement of the Board before accepting commitments outside their role in the Company, in addition to those already disclosed to the Company, which might give rise to a conflict of interest with any of his duties to the Company.

16. INCENTIVISATION STRATEGY

The Company's approach to incentivisation is to reward key contributors to the performance of the Group with incentive structures that are tied to the delivery of Shareholder value over a sustained period and are funded through the issuance of equity or equity-linked instruments.

In line with this approach, the Company has implemented arrangements pursuant to which shares in Subco (Subco B Shares, with the rights summarised in paragraph 5 of Part VI (*Additional Information*) of this Document) will be issued in order to incentivise the Directors and key advisors to the Company, as well as incoming operating partners and management teams in the delivery of Shareholder value, and selecting Acquisition targets with a view to increasing Shareholder value. The Company has not implemented any other incentive schemes other than as described below.

Under the terms of the Subco B Shares, participants only realise value from their shares if the value of a specified number of Ordinary Shares (subject to various adjustments including for the payment of dividends) has increased by at least 10 per cent. per annum compounded from the date of Admission to the date of the Trigger Event (the "**Compound Annual Growth Rate Target**" or "**CAGR Target**"). The Trigger Event is the first to occur of the CAGR Target being met at any time between the third and fifth anniversary (inclusive) of the date of Admission (a "**CAGR Trigger**"), the fifth anniversary of the date of Admission (where the CAGR Target is not met at that date), or a change of control of the Company or Subco.

If the CAGR Target is met at the Trigger Event, the participant has the right to sell the Subco B Shares to the Company at a specified price, more particularly explained in paragraph 5 of Part VI (*Additional Information*). The Company may purchase the Subco B Shares with a cash payment or an issue of Ordinary Shares. On the assumption that all the Subco B Shares were in issue on the date of Admission, the maximum pay-out on a Trigger Event where the CAGR Target is met would be 15 per cent. of the overall increase in Shareholder value (whether from share price growth or dividends) from the date of Admission to the date the participant exercises (or is treated as exercising) their right. For a CAGR Trigger, the participant has until 30 days after the fifth anniversary of date of Admission to exercise (although exercises after the fifth anniversary are treated as occurring on the anniversary for these purposes). If the Trigger Event is a

change of control, or a change of control occurs after a CAGR Trigger, the participant has 30 days from the change of control to exercise, but is treated for these purposes as exercising on the change of control. Where Subco B Shares are issued after the Commencement Date, the relevant participants only participate in the increase in value from the date their shares are issued.

The Company in certain cases will have the right to purchase Subco B Shares from participants other than on a Trigger Event (such as when the participant ceases to be a Group employee).

On Admission, Hermco Property Limited, David Williams, Kathleen Long and Anthony Morris are the only holders of Subco B Shares, and as such, currently 110,000 B Shares have been issued under these arrangements, which is 73.3 per cent. of the maximum number of B Shares which may be issued under the terms of the scheme, being 150,000 B Shares. On Admission, these allocations are held as follows:

<i>Name</i>	<i>Subco B shares held</i>
Hermco Property Limited*	50,000
David Jeffreys Williams	40,000
Kathleen Joy Long	10,000
Anthony John Morris	10,000
Total	110,000

*owned 100% by Peter William Gregory Tom CBE

These currently issued B Shares represent a maximum of 11 per cent. of the increase in shareholder value. Therefore, the Company has “reserved” 40,000 B shares for future key team hires (being 26.7 per cent. of the maximum number of B Shares). It is anticipated that as new key hires join the Company, they may be issued Subco B Shares to the extent there is residual headroom in the total cap of 150,000 B Shares or, as appropriate, they may instead participate in more traditional long term Company share incentive schemes. These “unallocated” 40,000 B shares if / when issued, would equate to 4 per cent. of the 15 per cent. of total shareholder value that if delivered, would be allocated to participants in the arrangements.

Set out below is a worked example, which has been provided for illustrative purposes only, to provide information to Shareholders on the amounts that the participants in the Subco B incentive arrangements may be entitled to following an Acquisition based on assumed Acquisition values and assumed market capitalisation of the Company three years following Admission:

A. Illustrative example where the Acquisition value is £75 million, showing a range of potential market capitalisations after three years:

(i) Resulting in market capitalisation of £150 million on the third anniversary of Admission

If: (i) the Company were to undertake an Acquisition of a target with a value of £75 million during the three year period commencing on the date of Admission (whether that is funded through raising cash by issuing new Ordinary Shares through an equity fundraise or where new Ordinary Shares are issued as consideration shares to the seller(s) of the Acquisition target); and (ii) on the third anniversary of Admission and following completion of the Acquisition the market capitalisation of the Company was £150 million, £68 million of Shareholder value would have been created (being the market capitalisation of the Company on the third anniversary of Admission (£150 million), less the amount of new equity (£75 million), less the market capitalisation of the Company on Admission (£7 million)). Assuming the “unallocated” 40,000 B Shares have been allocated as at the third anniversary of Admission, 15 per cent. of that Shareholder value (being £10.2 million) would be allocated to participants in the Subco B incentive arrangements. Based on the current allocations of B Shares, this would result in the Directors (David Jeffreys Williams and Peter William Gregory Tom CBE, through his ownership of Hermco Property Limited) being entitled to 9 per cent. of the Shareholder value (being £6.1 million), Tessera (through its owners Anthony John Morris and Kathleen Joy Long) being entitled to 2 per cent. of the Shareholder value (being £1.4 million) and new hires who have been allocated the B Shares which on Admission were unallocated being entitled to 4 per cent. of the Shareholder value (being £2.7 million).

(ii) Resulting in market capitalisation of £100 million on the third anniversary of Admission

If: (i) the Company were to undertake an Acquisition of a target with a value of £75 million during the three year period commencing on the date of Admission (whether that is funded through raising cash by issuing new Ordinary Shares through an equity fundraise or where new Ordinary Shares are issued as consideration shares to the seller(s) of the Acquisition target); and (ii) on the third anniversary of Admission and following completion of the Acquisition the market capitalisation of the Company was £100 million, £18 million of Shareholder value would have been created (being the market capitalisation of the Company on the third anniversary of Admission (£100 million), less the amount of new equity (£75 million), less the market capitalisation of the Company on Admission (£7 million)), however, as the CAGR Target would not have been met, no payout to the participants in the Subco B incentive arrangements would occur.

(iii) Resulting in market capitalisation of £75 million on the third anniversary of Admission

If: (i) the Company were to undertake an Acquisition of a target with a value of £75 million during the three year period commencing on the date of Admission (whether that is funded through raising cash by issuing new Ordinary Shares through an equity fundraise or where new Ordinary Shares are issued as consideration shares to the seller(s) of the Acquisition target); and (ii) on the third anniversary of Admission and following completion of the Acquisition the market capitalisation of the Company was £75 million, no Shareholder value would have been created and the participants in the Subco B incentive arrangements would not receive any value through the Subco B incentive arrangements.

B. Illustrative example showing a range of different Acquisition values:

(i) Acquisition of a target with a value of £50 million

If: (i) the Company were to undertake an Acquisition of a target with a value of £50 million during the three year period commencing on the date of Admission (whether that is funded through raising cash by issuing new Ordinary Shares through an equity fundraise or where new Ordinary Shares are issued as consideration shares to the seller(s) of the Acquisition target); and (ii) on the third anniversary of Admission and following completion of the Acquisition the market capitalisation of the Company was £57 million, no Shareholder value would have been created and the participants in the Subco B incentive arrangements would not receive any value through the Subco B incentive arrangements.

(ii) Acquisition of a target with a value of £75 million

If: (i) the Company were to undertake an Acquisition of a target with a value of £75 million during the three year period commencing on the date of Admission (whether that is funded through raising cash by issuing new Ordinary Shares through an equity fundraise or where new Ordinary Shares are issued as consideration shares to the seller(s) of the Acquisition target); and (ii) on the third anniversary of Admission and following completion of the Acquisition the market capitalisation of the Company was £100 million, £18 million of Shareholder value would have been created (being the market capitalisation of the Company on the third anniversary of Admission (£100 million), less the amount of new equity (£75 million), less the market capitalisation of the Company on Admission (£7 million)), however, as the CAGR Target would not have been met, no payout to the participants in the Subco B incentive arrangements would occur.

(iii) Acquisition of a target with a value of £100 million

If: (i) the Company were to undertake an Acquisition of a target with a value of £100 million during the three year period commencing on the date of Admission (whether that is funded through raising cash by issuing new Ordinary Shares through an equity fundraise or where new Ordinary Shares are issued as consideration shares to the seller(s) of the Acquisition target); and (ii) on the third anniversary of Admission and following completion of the Acquisition the market capitalisation of the Company was £150 million, £43 million of Shareholder value would have been created (being the market capitalisation of the Company on the third anniversary of Admission (£150 million), less the amount of new equity (£100 million), less the market capitalisation of the Company on Admission (£7 million)). Assuming the "unallocated" 40,000 B Shares have been allocated as at the third anniversary of Admission, 15% of that Shareholder value (being £6.5 million) would be allocated to participants in the Subco B incentive arrangements. Based on the current allocations of B Shares, this would result in the Directors (David Jeffreys Williams and Peter William Gregory Tom CBE, through his ownership of Hermco Property Limited) being entitled to 9% of the Shareholder value (being £3.9 million), Tessera (through its owners

Anthony John Morris and Kathleen Joy Long) being entitled to 2% of the Shareholder value (being £0.9 million) and new hires who have been allocated the B Shares which on Admission were unallocated being entitled to 4% of the Shareholder value (being £1.7 million).

17. CREST

The Articles permit the Company to issue Ordinary Shares in uncertificated form in accordance with the CREST Regulations. The Directors have applied for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place in the CREST system if the relevant Shareholder wishes. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

18. ADMISSION TO TRADING, SETTLEMENT AND DEALING ARRANGEMENTS

Application has been made for the Ordinary Shares to be admitted to the Official List, by way of a Standard Listing, and to trading on the Main Market. Dealings in the Ordinary Shares are expected to commence at 8.00 a.m. on 30 September 2021. No application has or will be made for the Ordinary Shares to be admitted to trading or to be listed on any other stock exchange.

No temporary documents of title will be issued. All documents sent by or to a Placee will be sent through the post at the Placee's own risk. Pending the dispatch of definitive share certificates, instruments of transfer will be certified against the register of members of the Company.

19. TAKEOVER CODE

The Company is a public company incorporated in Jersey and will be admitted to the Official List, by way of a Standard Listing, and to trading on the Main Market. Accordingly, the provisions of the Takeover Code will apply to the Company and Shareholders will therefore be entitled to the protections afforded by the Takeover Code.

20. DISCLOSURE GUIDANCE AND TRANSPARENCY RULES

The Disclosure Guidance and Transparency Rules will apply to the Company. This includes the requirement for a Shareholder to notify the Company of the percentage of its voting rights he holds as a Shareholder or through his direct or indirect holding of certain financial instruments (or a combination of such holdings) if the percentage of those voting rights reaches, exceeds or falls below: (i) 5 per cent. and each of the following thresholds thereafter being, 10 per cent., 15 per cent., 20 per cent., 25 per cent., 30 per cent., 50 per cent. and 75 per cent. as a result of an acquisition or disposal of Ordinary Shares or such financial instruments; or (ii) an applicable threshold in (i) as a result of events changing the breakdown of voting rights and on the basis of information disclosed by the Company in accordance with the Disclosure Guidance and Transparency Rules.

21. LAWS AND REGULATIONS

The Company will be subject to laws in various jurisdictions, including the United Kingdom and Jersey and potentially countries in which it is operating (given that the Company intends to maintain a flexible investment and acquisition strategy which will, subject to appropriate levels of due diligence, enable it to deploy capital in target companies located across the UK and internationally).

Applicable existing and future legislation and regulations, including in the United Kingdom and Jersey and potentially countries in which the Company is operating, could cause additional expense, capital expenditure and restrictions and delays in the activities of the Company, including in the Company's acquisition and investment strategy, and may or may not be applied in a manner which could limit or curtail the Company's ability to make an Acquisition or the Company's ability to make initial and future Acquisitions at the desired rate that Shareholders may expect.

PART II

THE PLACING

1. DESCRIPTION OF THE PLACING

Under the Placing, 40,000,000 Placing Shares have been placed conditionally with prospective investors at the Placing Price of £0.10 per Placing Share. The gross proceeds of the Placing, conditional upon Admission are up to £4 million, subject to estimated fees and expenses of approximately £272,125. After deduction of such fees and expenses, less the fees which have already been paid out of the approximately £3 million raised prior to Admission by the issue of certain Existing Ordinary Shares as described in paragraph 4(d) of Part VI (*Additional Information*) of this Document, the Net Proceeds to the Company will amount to approximately £6,727,875. If Admission does not proceed all Placing monies will be returned to the prospective investors.

In addition each of the Existing Shareholders has been issued with Warrants prior to Admission over 30,000,000 Ordinary Shares and the Placees will be issued with Warrants on Admission over 40,000,000 Ordinary Shares. The Warrants are exercisable at any time from the date of completion of the inaugural transaction (an investment or Acquisition) made by the Company, where the consideration for such acquisition is at least £10 million. These Warrants can be exercised through application to the Company. The Warrants will not be listed on the London Stock Exchange or any other publicly traded market.

Upon completion of the Placing and assuming full exercise of the Warrants, the Warrants will represent approximately 50 per cent. of the Fully Diluted Enlarged Share Capital of the Company. If an Acquisition is wholly or partly financed through the issue of additional Ordinary Shares, existing Shareholders may be diluted.

Prior to completing an Acquisition, the Net Proceeds will be held in bank accounts which do not attract any or material rates of interest and will be used for general business purposes, including paying the expenses of Admission and the Company's on-going costs and expenses, including directors' fees, due diligence costs and other costs of sourcing, reviewing and pursuing Acquisitions including potentially funding the cash element of the purchase price relating to an Acquisition.

The Placing Shares have been made available to investors in the UK and, in accordance with the Listing Rules, at Admission at least 25 per cent. of the Ordinary Shares of the total class will be in public hands (as defined in the Listing Rules).

Admission and completion of the Placing will be announced via a regulatory information service and is expected to take place at 8.00 a.m. London time on 30 September 2021.

2. ADMISSION, DEALINGS AND CREST

The Placing is conditional solely on Admission pursuant to the Placing Letters, subject to Admission occurring on or before 8.00 a.m. on 30 September 2021.

Admission is expected to take place and unconditional dealings in the Ordinary Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 30 September 2021.

Where applicable, definitive share certificates in respect of the Ordinary Shares to be issued pursuant to the Placing are expected to be dispatched, by post at the risk of the recipients, to the relevant holders, within 10 Business Days of Admission. The Ordinary Shares are in registered form and can also be held in uncertificated form. Prior to the dispatch of definitive share certificates in respect of any Ordinary Shares which are held in certificated form, transfers of those Ordinary Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.

3. PLACING AND PRICING

All Placing Shares issued pursuant to the Placing will be issued at the Placing Price which has been determined by the Directors. The Company and the Directors have ensured that the Company shall have

sufficient shares in public hands, as defined in the Listing Rules. All Placings are conditional only on Admission. The Board have ensured that a minimum of 25 per cent. of the Ordinary Shares have been allocated to investors whose individual and unconnected Shareholdings will each equate to less than 5.0 per cent. of the Enlarged Share Capital, and who do not fall within any of the other excluded categories of investors in Listing Rule 14.2.2 (4).

To the fullest extent permitted by law, the Placees' obligations under the Placing Letters are irrevocable and are not capable of rescission or termination by the Placees in any circumstance. In the event that Admission does not become effective, Placees will receive a refund of monies subscribed pursuant to the Placing. The Placees do not have a statutory right of withdrawal.

Conditional upon Admission occurring and becoming effective by 8.00 a.m. London time on or prior to 8.00 a.m. London time on no later than 30 September 2021, each of the Placees agree to become a member of the Company and agree to subscribe for those Ordinary Shares set out in his Placing Letter. To the fullest extent permitted by law, Placees will not be entitled to rescind their agreement at any time. In the event that Admission does not become effective by 8.00 a.m. London time on no later than 30 September 2021, Placees will receive a full refund of monies subscribed.

The rights attaching to the Placing Shares will be uniform in all respects and all of the Ordinary Shares will form a single class for all purposes.

4. PAYMENT

Each Placee has paid the Placing Price for the Placing Shares in the Company's bank account as set out in the Placing Letter. Liability (if any) for stamp duty and stamp duty reserve tax is as described in Part IV (*Taxation*) of this Document. If Admission does not occur, Placing monies will be returned to each Placee without interest by the Company.

5. USE OF PROCEEDS

It is the Company's intention to use the proceeds of the Placing, together with the £3 million previously raised from the issue prior to Admission of certain Existing Ordinary Shares at £0.10 to each of the Existing Shareholders as described in paragraph 4(d) of Part VI (*Additional Information*) of this Document, to fund the estimated transaction expenses, being £272,125 (as described in more detail in paragraph 15(g) of this Part VI (*Additional Information*)) and then to fund the operating expenses of the Company, which are expected to be around £0.3 million annually. The proceeds of the Placing will then be used to fund any initial due diligence (including legal, financial, technical and operational diligence), professional fees and other transaction costs in respect of an Acquisition as well as potentially funding the cash element of the purchase price of an Acquisition.

6. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Admission and it is expected that the Ordinary Shares will be admitted with effect from that time. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any investor so wishes.

CREST is a voluntary system and investors who wish to receive and retain certificates for their securities will be able to do so. Placees may elect to receive Ordinary Shares in uncertificated form if such investor is a system member (as defined in the CREST Regulations) in relation to CREST.

7. SELLING RESTRICTIONS

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

The Placing is being made by means of offering Placing Shares to certain institutional investors and high net worth individuals in the UK only. The Company has not been and will not be registered under the US Investment Company Act, and investors will not be entitled to the benefits of that Act.

Certain restrictions that apply to the distribution of this Document and the Ordinary Shares being issued pursuant to the Placing in certain jurisdictions are summarised in the section of this Document headed "Important Information".

8. TRANSFERABILITY

All Ordinary Shares are freely transferable.

PART III

FINANCIAL INFORMATION OF THE GROUP

1. ACCOUNTANTS REPORT IN RESPECT OF THE HISTORICAL FINANCIAL INFORMATION PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

MHA MacIntyre Hudson
Chartered Accountants
Pennant House, 1-2 Napier Court
Napier Road
Reading
RG1 8BW

The Directors
Bay Capital Plc
28 Esplanade
St Helier
Channel Islands
JE2 3QA
Jersey

Dear Sirs

We report on the audited financial information of Bay Capital Plc (the “Company”) the period from incorporation on 31 March 2021 to 30 April 2021.

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the Company’s prospectus dated 27 September 2021 (the “Prospectus”), a true and fair view of the state of affairs of Bay Capital Plc (the “Company”) and its subsidiary (together, the “Group”) as at 30 April 2021 and of its profits, cash flows and changes in equity for the period ended 30 April 2021 in accordance with IFRS.

Responsibilities

The director of the Company is responsible for preparing the Company financial information in accordance with IFRS and for being satisfied that they give a true and fair view. In preparing the financial information, the director is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Basis of preparation

The Group financial information has been prepared for inclusion in Part III “Financial Information of the Group” of the prospectus on the basis of the accounting policies set out in note 3 to the Group financial information. This report is required by item 18.3.1 of Annex 1 to the UK version of the Commission Delegate Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Commission, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the “Prospectus Regulation”) and is given for the purpose of comply with that and for no other purpose.

Basis of opinion

We have conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council (“FRC”) in the United Kingdom. We are independent of the Company in accordance with relevant ethical requirements, including the FRC’s Ethical Standard.

Our work included as assessment of evidence relevant to the amounts and disclosure in the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error. This included the following;

- Enquiry of management and those charged with governance; and
- Reviewing financial information disclosures and testing to supporting documentation.

Conclusion relating to going concern

In forming our opinion of the financial information, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial information is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or in aggregate, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from the date the financial information was authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Declaration

For the purpose of Prospectus Rule PRR 5.3.2R(2)(f) we are responsible for this report as part of the prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affects its import. The declaration is included in the prospectus in compliance with item 1.2 of Annex 1 to the Prospectus Regulations.

Yours Faithfully

Jason Mitchell FCA MBA BSc
For and on behalf of
MHA MacIntyre Hudson

Date:

2. HISTORICAL FINANCIAL INFORMATION OF THE GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The audited statement of consolidated comprehensive income of the Group from the date of incorporation on 31 March 2021 to 30 April 2021 is stated below:

	<i>Period ended 30 April 2021</i>
	£
Revenue	—
Administrative expenses	—
Operating results	—
Finance income/(expense)	—
Profit before taxation	—
Income tax	—
Profit for the period and total comprehensive income for the period	—

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The audited consolidated statement of financial position of the Group as at 30 April 2021 is stated below:

	<i>As at period ended 30 April 2021</i>
	£
ASSETS	
Current assets	
Cash and cash equivalents	6 2
Total assets	2
EQUITY AND LIABILITIES	
Equity attributable to owners	
Ordinary share capital	7 2
Retained earnings	—
Total equity attributable to shareholders	2
Total equity and liabilities	2

CONSOLIDATED STATEMENT OF CASH FLOWS

The audited consolidated statement of cash flows of the Group from the date of incorporation on 31 March 2021 to 30 April 2021 is stated below:

	<i>Period ended 30 April 2021 £</i>
Cash flows from operating activities	
Loss before income tax	—
Net cash from operating activities	—
Cash flows from financing activities	—
Cash received from issue of Ordinary Shares	2
Net cash inflow from financing activities	2
Net increase in cash and cash equivalents	2
Cash and cash equivalents at beginning of period	—
Cash and cash equivalents at end of period	2

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The audited consolidated statement of changes in equity of the Group from the date of incorporation on 31 March 2021 to 30 April 2021 is stated below:

	<i>Ordinary share capital £</i>	<i>Share premium £</i>	<i>Retained earnings £</i>	<i>Total equity £</i>
Comprehensive income for the period				
Profit for the period	—	—	—	—
Ordinary shares issued on incorporation	2	—	—	2
As at 30 April 2021	2	—	—	2

NOTES TO THE GROUP FINANCIAL INFORMATION

1. General information

The Company was incorporated on 31 March 2021 as Bay Capital Limited, a private limited company under the laws of Jersey with registered number 134743. On 8 September 2021, the Company was re-registered as an unlisted public limited company and its name was changed to Bay Capital Plc.

The address of its registered office is 28 Esplanade, St. Helier, Channel Islands, JE2 3QA, Jersey.

The historical financial information presents the financial record of Bay Capital Plc (formerly Bay Capital Limited) and its subsidiary (together, the “**Group**”) for the period ended 30 April 2021.

The Company has been incorporated for the purpose of identifying suitable acquisition opportunities in accordance with the Group’s investment and acquisition strategy with a view to creating Shareholder value. The Group will retain a flexible investment and acquisition strategy which will, subject to appropriate levels of due diligence, enable it to deploy capital in target companies by way of minority or majority investments, or full acquisitions where it is in the interests of Shareholders to do so. This will include transactions with target companies located in the UK and internationally.

The Group did not trade during the period under review.

2. Basis of preparation

The principal accounting policies applied in the preparation of the Group Financial Information are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

The Group Financial Information has been prepared in accordance with IFRS. The Group Financial Information has been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense.

The Group Financial Information is presented in £ unless otherwise stated.

Comparative figures

No comparative figures have been presented as the Group Financial Information covers the period from incorporation on 31 March 2021 to 30 April 2021.

Going concern

The Group Financial Information has been prepared on a going concern basis.

The basis for this conclusion is as a result of the projected monthly financial forecasts prepared and reviewed by the Directors contained in the working capital board memorandum approved by the Board of the Company on 13 September 2021. The monthly financial forecasts contained within the working capital board memorandum cover the forecast period from July 2021 through to December 2023 and include all inflows and outflows expected by the Group following the date of approval of this Statement of Financial Position. This includes the £7 million of gross proceeds raised from a private placing and IPO placing of shares of the Company, which will be used to fund all expected costs associated with the maintenance of the Group’s listing on the Main Market of the London Stock Exchange, and general costs and expenses associated with its M&A search activities.

Based on these assessments, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the Group Financial Information.

Standards and interpretations issued and not yet effective:

At the date of the Group Financial Information, the Directors have reviewed the standards in issue by the International Accounting Standards Board and IFRIC, which are effective for periods beginning on or after the stated effective date but have not yet been applied. In their view, these standards would not have a material impact on the financial reporting of the Group.

3. Significant accounting policies

The Group Financial Information is based on the following policies which have been consistently applied:

Basis of consolidation

The consolidated financial information incorporates the results of Bay Capital Plc and its subsidiary.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the Consolidated Financial Information of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and on demand deposits due within three months with banks and other financial institutions, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Equity

Ordinary Shares are classified as equity.

Taxation

Income tax for the period is based on the taxable income for the year. Taxable income differs from profit as reported in the statement of comprehensive income for the period as there are some items which may never be taxable or deductible for tax and other items which may be deductible or taxable in other periods. Income tax for the period is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Group Financial Information. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

4. Critical accounting estimates and judgments

In preparing the Group Financial Information, the Directors have to make judgments on how to apply the Group's accounting policies and make estimates about the future. The Directors do not consider there to be any critical judgments that have been made in arriving at the amounts recognised in the Group Financial Information.

5. Investments

Principal subsidiary undertakings of the Group

The Company directly owns the ordinary share capital of its subsidiary undertakings as set out below:

The issued share capital of the subsidiary comprises 1 ordinary share of £1 par value.

<i>Subsidiary</i>	<i>Nature of business</i>	<i>Country of incorporation</i>	<i>Proportion of shares held by Company</i>
Bay Capital Subco Limited	Intermediate holding company	Jersey, Channel Islands	100 per cent.

The address of the registered office of Bay Capital Subco Limited (the "**Subco**") is 28 Esplanade, St. Helier, Channel Islands, JE2 3QA, Jersey. The Subco was incorporated on 31 March 2021 and prepares its own financial statements for the period ended 31 December each year.

The ordinary shares have full voting rights, full rights to participate in a dividend and full rights to participate in a distribution of capital.

6. Cash and cash equivalents

	<i>As at 30 April 2021 £</i>
Cash at bank and in hand	<u>2</u>

7. Share capital

	<i>Number of ordinary shares</i>	<i>Share capital £</i>	<i>Total £</i>
On incorporation	<u>2</u>	<u>2</u>	<u>2</u>
As at 30 April 2021	<u>2</u>	<u>2</u>	<u>2</u>

On incorporation, the Company issued 2 Ordinary Shares of £1 par value each at £1 per Ordinary Share, for cash consideration of £2.

8. Financial instruments

As at
30 April 2021
£

Financial assets

Cash and cash equivalents

2

Financial risk management objectives and policies

The Group's major financial instrument comprises its bank balance. The risks associated with this financial instrument, and the policies on how to mitigate this risk are set out below. The Directors manage and monitor these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Credit risk

The Group's credit risk is wholly attributable to its cash balance. The credit risk from its cash and cash equivalents is deemed to be low due to the nature and size of the balances held as at 30 April 2021.

Interest rate risk

As at 30 April 2021, the Group had no exposure to interest rate risk.

Currency risk

All monetary assets and liabilities and all transactions of the Group are denominated in its functional currency. As such, the Group is exposed to no foreign currency risk.

Fair value of financial assets and liabilities

There is no material difference between the fair value of the Group's financial asset and its carrying value in the Group Financial Information.

9. Related party transactions

On incorporation, the Company issued 1 Ordinary Share of £1 par value at £1 per Ordinary Share for cash consideration of £1 to David Williams, a Director.

10. Ultimate controlling party

As at 30 April 2021, there was no ultimate controlling party, with the Group controlled by David Williams and Tessera Investment Management Limited by virtue of their respective 50 per cent. holdings of the issued share capital of the Company.

11. Post balance sheet events

Re-registration

On 26 August 2021, the Company resolved to re-register from a limited company to an unlisted public limited company. This re-registration was approved on 8 September 2021 by the Jersey Registrar and the Company's name was changed to Bay Capital Plc on 8 September 2021.

Directorate changes

On 26 August 2021, the Company appointed a new Director, Peter William Gregory Tom CBE. Peter has joined the Group as a Non-executive Chairman.

Capital reorganisation

On 19 August 2021 the Company resolved to subdivide its ordinary share capital by 100:1 in order to reduce the nominal value of the Ordinary Shares from £1 each to £0.01 each. This resulted in a post subdivision share capital of 200 Ordinary Shares, which were then redesignated into 20 Ordinary Shares of £0.01 par

value each and 180 Deferred Shares of £0.01 par value each. On 19 August 2021, in accordance with article 5B of the Articles, the Company redeemed for nil consideration the Deferred Shares.

Subscription and issue of equity

On 25 August 2021 and following the Company's capital reorganisation, the Company raised £2,999,998 million through the issuance of 29,999,980 new Ordinary Shares of the Company. 14,249,990 Ordinary Shares were subscribed for by David Williams, Director and shareholder of the Company, 15,000,000 Ordinary Shares were subscribed for by Hermco Property Limited, a company wholly owned by Peter Tom, Director of the Company, and 249,990 Ordinary Shares were subscribed for by Tessera Investment Management Limited, also a shareholder in the Company. In addition, a further 500,000 Ordinary Shares were subscribed for by another investor. Following completion of the subscription and the issuance of 29,999,980 new Ordinary Shares on 25 August 2021, the Company's total issued share capital is 30,000,000 Ordinary Shares of £0.01 par value each.

Following the pre-Admission placing, the Group's cash at bank and in hand increased to £3 million.

Issue of Warrants

On 13 September 2021, the Company issued 30,000,000 warrants over 30,000,000 Ordinary Shares to the Existing Shareholders. The Warrants are exercisable at any time from the date of completion of the inaugural transaction (an investment or acquisition) made by the Company, where the consideration for such acquisition is at least £10 million. These Warrants can be exercised through application to the Company. The Warrants will not be listed on the London Stock Exchange or any other publicly traded market.

The Warrants have been issued to the Existing Shareholders on a pro rated basis to their respective holdings in the issued share capital of the Company at the time of issue. If not exercised by the end of the third anniversary of Admission, the Warrants shall expire. The exercise price of each Warrant is £0.10.

Creation of incentive scheme

On 14 September 2021, the Group created a new Subco Incentive Scheme within its wholly owned subsidiary Bay Capital Subco Limited. Under the terms of the Subco Incentive Scheme, scheme participants are only rewarded if a predetermined level of Shareholder value is created over a three to five year period or upon a change of control of the Company or Subco (whichever occurs first), calculated on a formula basis by reference to the growth in market capitalisation of the Company, following adjustments for the issue of any new Ordinary Shares and taking into account dividends and capital returns ("Shareholder Value"), realised by the exercise by the beneficiaries of a put option in respect of their shares in Subco and satisfied either in cash or by the issue of new Ordinary Shares at the election of the Company.

Under these arrangements in place, participants are entitled up to 15 per cent. of the Shareholder Value created, subject to such Shareholder Value having increased by at least 10 per cent. per annum compounded over a period of between three and five years from Admission, or following a change of control of the Company or Subco.

In order to implement the Subco Incentive Scheme, the Company as sole shareholder of Subco, approved the creation of a new share class in Subco (the "B Shares"). At the same time the Subco's existing ordinary shares were redesignated A Shares. The B Shares do not have voting or dividend rights.

Following this, the Subco's issued share capital comprises 10 A ordinary shares of £1 par value and 150,000 B ordinary shares of £0.000001 par value.

<i>Subsidiary</i>	<i>Nature of business</i>	<i>Country of incorporation</i>	<i>Proportion of A shares held by Company</i>	<i>Proportion of B Shares held by the Company</i>
Bay Capital Subco Limited	Intermediate holding company	Jersey, Channel Islands	100 per cent.	0 per cent.

Related Party Transactions

Subco Incentive Scheme

On 14 September 2021, Hermco Property Limited, owned by Peter Tom, a Director of the Company, David Williams, a Director of the Company, and Kathleen Long and Anthony Morris, Directors of Tessera Investment Management Limited, became the first participants in the Subco Incentive Scheme ("**Founder Participants**"), and as such, the proportion of Shareholder Value attaching to the Subco Incentive Scheme is 11 per cent. of a total cap of 15 per cent. Under the terms of the Subco Incentive Scheme, the Founder Participants each subscribed for B Shares in Subco at their unrestricted market value equating to £0.12328 value per B Share. The Founder Participants and their respective holdings are outlined below.

<i>Name</i>	<i>Subco B shares held</i>
Hermco Property Limited*	50,000
David Jeffreys Williams	40,000
Kathleen Joy Long	10,000
Anthony John Morris	10,000
Total	110,000

*owned 100 per cent. by Peter William Gregory Tom CBE

Strategic advisory agreement

On 20 August 2021, the Company entered into a strategic advisory agreement with Tessera pursuant to which Tessera has agreed to provide strategic and general corporate advice, and acquisition and capital raising transaction support services to the Company. Tessera will be entitled to an initial transaction success fee of £50,000 (plus VAT) payable on Admission for transaction management services provided to the Company in connection with Admission and the Placing. Following Admission, Tessera will provide strategic advisory services to the Company, including general corporate advice, and acquisition and capital raising transaction support, and will be paid a fixed monthly retainer fee of £5,000 (plus VAT) per month payable in arrears. A success fee payable to Tessera may be agreed between the Company and Tessera at the time that an Acquisition is completed, but the payment of any such success fee would be entirely at the discretion of the Directors. If the Directors were to decide to pay a success fee in these circumstances, the fee would be agreed at the time and would vary depending on the nature of the Acquisition, but would likely be in region of 0.5 per cent. of the value of the Acquisition, up to maximum of 1 per cent..

Director service agreements

On 14 September 2021, each of the Non-executive Directors entered into a letter of appointment with the Company. With effect from Admission, Peter Tom, as Non-executive Chairman of the Group, will be entitled to receive an initial gross annual fee of £30,000, through his service company Rise Rocks Limited and David Williams, as Non-executive Director of the Group, will be entitled to receive an initial gross annual fee of £20,000. Non-executive Director fees are payable monthly in arrears, plus the Non-executive Directors shall be entitled to reimbursement of all reasonable and properly documented expenses incurred in performing their duties as directors of the Company.

Subscriptions prior to Admission

On incorporation on 31 March 2021, the Company had share capital of £2 divided into 2 Ordinary Shares of par value of £1 each, of which 1 Ordinary Share was issued to each of the Founders. The 2 Ordinary Shares were each issued for consideration of £1 each per Ordinary Share.

On 25 August 2021, the Company issued and allotted 14,249,990 Ordinary Shares at a price of £0.10 per Ordinary Share to David Williams for an aggregate consideration of £1,424,999 in cash and issued and allotted 249,990 Ordinary Shares at a price of £0.10 per Ordinary Share to Tessera Investment Management Limited for an aggregate consideration of £24,999 in cash.

Directors' shareholdings and Warrants

The table in paragraph 5.2 (Directors' shareholdings) of Part V (*Directors, advisory team and Corporate Governance*) of this Document sets out the interests of the Directors, their immediate families and persons connected with them in the Company. The table in paragraph 5.3 (*Directors' Warrants*) of Part V (*Directors, advisory team and Corporate Governance*) of this Document sets out the outstanding Warrants and awards over Ordinary Shares held by the Directors.

PART IV

TAXATION

The statements set out in this Part IV are intended only as a general guide to certain limited tax matters connected with Ordinary Shares. They are not exhaustive and do not constitute tax or legal advice. Shareholders, or prospective Shareholders, should obtain their own independent professional tax advice in relation to the acquisition, holding and disposal of Ordinary Shares.

1. UK TAXATION

The comments set out below are based on current United Kingdom tax law as applied in England and Wales and HM Revenue & Customs published practice (which may not be binding on HM Revenue & Customs), in each case, as at the Last Practicable Date, and both of which are subject to change, possibly with retrospective effect. They are intended as a general guide and apply only to Shareholders of the Company resident and, in the case of an individual, domiciled for tax purposes in the United Kingdom and to whom “split year” treatment does not apply (except insofar as express reference is made to the treatment of non-United Kingdom residents), who hold Ordinary Shares in the Company as an investment and who are, or are treated as, the absolute beneficial owners thereof. The discussion does not address all possible tax consequences relating to an investment in the Ordinary Shares. Certain categories of Shareholders, including those carrying on certain financial activities, those subject to specific tax regimes or benefiting from certain reliefs or exemptions, those connected with the Company and those for whom the Ordinary Shares are employment related securities may be subject to special rules and this summary does not apply to such Shareholders.

1.1 Taxation of dividends paid on Ordinary Shares

(a) **Withholding tax**

The Company will not be required to withhold amounts on account of United Kingdom tax at source when paying a dividend.

(b) **UK individuals**

Dividends received by a United Kingdom resident individual Shareholder from the Company will generally be subject to tax as dividend income.

The first £2,000 (the “**Dividend Allowance**”) of the total amount of dividend income (including any dividends received from the Company) received by such a Shareholder in a tax year will be taxed at a nil rate (and so no income tax will be payable in respect of such amounts).

If a United Kingdom resident individual Shareholder’s total dividend income for a tax year exceeds the Dividend Allowance (such excess being referred to as the “**Taxable Excess**”), then the Taxable Excess will be subject to tax depending on the tax rate band or bands it falls within. The relevant tax rate band is determined by reference to the Shareholder’s total income charged to income tax (including the dividend income charged at a nil rate by virtue of the Dividend Allowance) less relevant reliefs and allowances (including the Shareholder’s personal allowance). The Taxable Excess is, in effect, treated as the top slice of any resulting taxable income and:

- (i) To the extent that the Taxable Excess falls below the basic rate limit, the Shareholder will be subject to tax on it at the dividend basic rate of 7.5 per cent.
- (ii) To the extent that the Taxable Excess falls above the basic rate limit but below the higher rate limit, the Shareholder will be subject to tax on it at the dividend upper rate of 32.5 per cent.
- (iii) To the extent that the Taxable Excess falls above the higher rate limit, the Shareholder will be subject to tax on it at the dividend additional rate of 38.1 per cent.

(c) **Corporate Shareholders**

Shareholders who are within the charge to corporation tax will be subject to corporation tax on dividends paid by the Company, unless the dividends fall within an exempt class and certain other

conditions are met. Each Shareholder's position will depend on its own individual circumstances, although it would normally be expected that the dividends paid by the Company would fall within an exempt class.

(d) **Non-UK resident Shareholders**

A Shareholder resident or otherwise subject to tax outside the United Kingdom (whether an individual or a body corporate) may be subject to foreign taxation on dividend income under local law. Shareholders to whom this may apply should obtain their own tax advice concerning tax liabilities on dividends received from the Company.

1.2 Taxation of disposals of Ordinary Shares

Shareholders who are resident in the United Kingdom, or, in the case of individuals, who cease to be resident in the United Kingdom for a period of five years or less, may, depending on their circumstances (including the availability of exemptions or reliefs), be liable to United Kingdom taxation on chargeable gains in respect of gains arising from a sale or other disposal of Ordinary Shares in the Company.

1.3 Stamp duty and stamp duty reserve tax ("SDRT")

No liability to UK stamp duty or SDRT will arise on the issue of Ordinary Shares to Shareholders.

UK stamp duty will not normally be payable in connection with a transfer of Ordinary Shares, provided that the instrument of transfer is executed and retained outside the UK and no other action is taken in the UK by the transferor or transferee.

No UK SDRT will be payable in respect of any agreement to transfer Ordinary Shares, provided that the Ordinary Shares are not registered in a register kept in the UK on behalf of the Company and that the Ordinary Shares are not paired with shares issued by a company incorporated in the UK.

2. JERSEY TAXATION

At such time as the Company's business is centrally managed and controlled outside Jersey in a country or territory where the highest rate at which any company may be charged to tax on any part of its income is 10 per cent. or higher, and the Company is resident for tax purposes in that country or territory, it will cease to be regarded as tax resident in Jersey and will not be subject to Jersey income tax. However, if the Company ceases to be exclusively resident for tax purposes in a jurisdiction outside Jersey, it will be regarded as resident for tax purposes in Jersey and on the basis that the Company is not a financial services company, a utility company or a large corporate retailer for the purposes of the Income Tax (Jersey) Law 1961, as amended, the Company would be subject to income tax in Jersey at a rate of zero per cent. Jersey charges a tax on goods and services supplied in Jersey ("**GST**"). On the basis that the Company has obtained international services entity status, GST is not chargeable on supplies of goods and/or services made by the Company. The Directors intend to conduct the business of the Company such that no GST will be incurred by the Company. There is no stamp duty in Jersey on issues or transfers of Ordinary Shares. However, Jersey stamp duty is payable on the value of the Ordinary Shares at rates of up to 0.75 per cent. (subject to a cap on liability of £100,000) upon the registration of a grant of probate or letters of administration which will be required in order to transfer the Ordinary Shares of a deceased individual Shareholder.

PART V

DIRECTORS, ADVISORY TEAM AND CORPORATE GOVERNANCE

1. BOARD

At Admission, the Board will comprise two Non-executive Directors (including the Chairman).

The business address of the Directors is 28 Esplanade, St. Helier, Channel Islands, JE2 3QA, Jersey.

(a) **Peter William Gregory Tom CBE** (aged 80, DOB 26 July 1940), Non-executive Chairman

Peter is one of the aggregates industry's longest serving and most experienced executives, holding high-profile executive and non-executive roles serving publicly listed and private organisations in the industry, sport and the not-for-profit sector.

He most recently served as Executive Chairman of Breedon Group, (AIM: BREE) the UK'S largest independent aggregates business, which he co-founded with David Williams (a Director of the Company) and Simon Vivian in 2008. Under Peter's leadership, Breedon grew from a £13 million AIM-listed cash shell into a business worth £1.5 billion, leading the consolidation of the UK aggregates industry.

Prior to establishing Breedon, Peter was the Chief Executive Officer and latterly Non-executive Chairman of Aggregate Industries, which he developed into a leading international building materials group before negotiating its sale to Holcim for £1.8 billion in 2005. His early career was spent at Bardon Hill Quarries, where he rose to become Chief Executive of the Bardon Group plc in 1985. He went on to lead Bardon's merger with Evered plc in 1991 and the enlarged group's subsequent merger with CAMAS in 1997 to form Aggregate Industries plc.

In 2006, Peter was awarded a CBE for services to Business and Sport. He holds Honorary Degrees from both Leicester and De Montfort University and is Chairman of Leicester Rugby Football Club, (Leicester Tigers) a role he has held for more than 20 years following a playing career comprising 130 appearances for the club as a lock forward between 1963 and 1968.

(b) **David Jeffreys Williams** (age 68, DOB 16 June 1952), Non-executive Director

David has over 36 years' experience in investment markets, serving as Chairman in executive and non-executive capacities for a number of public and private companies. He has overseen the development of these companies, raising in excess of £1 billion of capital to support both organic and acquisitive growth initiatives.

David was the original founder of Marwyn Capital LLP, the award-winning investment management company. David was also formerly Chairman of Entertainment One Ltd. (LSE: ETO), Zetar plc, and Oxford BioDynamics Plc (AIM: OBD), and non-executive director of Breedon Group plc (AIM: BREE). He currently serves as Non-executive Chairman of the AIM-quoted cyber security business, Shearwater Group plc (AIM: SWG) and Main Market listed Acceler8 Ventures Plc (LSE: AC8).

Further information on the Directors, including the interests held by them in the share capital of the Company, is given in paragraph 5 of this Part V (*Directors, advisory team and Corporate Governance*).

As well as engaging JTC plc as administrator and company secretary (who will also assist with the production of the Company's monthly management accounts and bank reconciliations and certain regulatory requirements associated with being a Jersey incorporated company listed on the Main Market), Mayer Brown International LLP as English legal advisors and Ogier (Jersey) LLP as Jersey legal advisors, the Company has engaged Tessera, a Shareholder of the Company, as Strategic Advisor to provide specialist acquisition and IPO transaction support services.

2. STRATEGIC ADVISOR

The Company has entered into a strategic advisory agreement with Tessera, as further detailed in paragraph 14.6 of Part VI (*Additional Information*) of this Document. Tessera is a provider of specialist IPO, acquisition and capital raising transaction support services. Since it was established in 2012, Tessera has completed over 48 engagements and transacted over £1.8 billion of deal value.

Tessera specialises in providing cost effective, in-house support to management teams across the entire transaction process, with a focus on delivering corporate development activity within a public markets setting. By removing the day-to-day responsibility for process orientated / time consuming work streams, Tessera aims to de-risk the transaction process and enable management to focus on where they can most effectively impact business strategy.

These transaction management services include end to end project management of the Admission process, drafting input into key listing documentation, including the Company's marketing materials and this document, negotiation, appointment and management of key Company advisers, as well as construction of the Company's working capital model and drafting of the Company's working capital board memorandum. In addition, Tessera also liaised with Company legal counsel on Admission matters and provided input into the drafting and structuring of the Company's incentivisation plan.

The Tessera team have worked extensively within the UK public equity markets as both principal and advisor, supporting AIM and Main Market companies, including the likes of Entertainment One Ltd. (formerly LSE: ETO), Acceler8 Ventures Plc (LSE: AC8), Advanced Computer Software plc (formerly AIM: ASW), Summerway Capital plc (AIM: SWC) and IG Design Group plc (AIM: IGR) with their IPO, acquisition and capital raising activities.

Anthony John Morris and Kathleen Joy are the sole shareholders, co-founders and directors of Tessera. Anthony John Morris has over 15 years' transacting experience as principal and advisor in M&A and equity capital markets.

Tessera is headquartered in London with its team located across sites in the UK, Jersey and South Africa.

Anthony ("Tony") Morris

Tony Morris has over 15 years' transacting experience as principal and advisor in M&A and equity capital markets. He is a co-founder and director of Tessera Investment Management, a strategic advisory firm which provides specialist transaction support to organisations undertaking corporate development activity.

Prior to co-founding Tessera in 2012, Tony spent four years in the investment team at Marwyn Capital, an investment firm, having previously started his career within Leveraged Finance at Barclays Bank.

Tony also currently serves as a non-executive director of Michelmersh Brick Holdings Plc, the AIM-listed specialist brick manufacturer, and non-executive director of Summerway Capital Plc, the AIM-listed software company.

He has a 1st class honours BSc degree in Business Management from King's College London

Kathleen ("Katie") Long

Katie qualified as a Chartered Accountant in 2002 with the Institute of Chartered Accountants Australia and has a degree in Commerce from the University of Melbourne.

Katie started her career as an auditor at Ernst & Young, working on external audits within the financial services sector, and then moved into banking, focusing on the financial reporting of complex structured products under IFRS and US GAAP.

In 2008, Katie joined Marwyn Capital LLP as an Investment Manager, where she led and managed a number of the fund's investments, alongside the provision of corporate finance advice to listed portfolio companies.

Katie co-founded Tessera Investment Management Limited in 2012, a specialist provider of in-house transaction management support to organisations undertaking M&A and capital raising activities, where she remains a director and a shareholder.

Katie was previously the Chief Financial Officer of AIM-listed Oxford BioDynamics Plc and is currently also a Non-Executive Director of a venture capital backed cyber security company, RazorSecure Limited.

3. OPERATING PARTNERS

Following Admission, the Company may work with operating partners with relevant, deep industry expertise to support the implementation of the Company's strategy either ahead of or as part of any Acquisition.

The Company's operating partners will be industry specialists which have track records of operating within the specific sectors of interest and creating Shareholder value through delivering organic growth and operational improvements. While it is anticipated that any operating partners will be appointed to work on a project basis, where circumstances permit and it is in the interests of the Company to do so, the operating partners may in time take up executive roles within the Company, under which they will lead on the execution of the Company's strategy with oversight and support from the Directors in a non-executive capacity.

It is anticipated that any operating partners that may be used by the Company will be known to the Directors or the Company's Strategic Advisor and sourced through their collective network of contacts. No such operating partners have been identified to date.

4. CORPORATE GOVERNANCE

As a Jersey company and a company with a Standard Listing, the Company is not required to comply with the provisions of the UK Corporate Governance Code 2018. Furthermore, there is no applicable regime of corporate governance to which the directors of a Jersey company must adhere over and above the general fiduciary duties and duties of care, skill and diligence imposed on such directors under Jersey law.

Notwithstanding this, the Directors are committed to maintaining high standards of corporate governance and will be responsible for carrying out the Company's objectives and implementing its business strategy. All investment, acquisition, divestment and other strategic decisions will all be considered and determined by the Board. The Board will provide leadership within a framework of prudent and effective controls.

The Board will establish the corporate governance values of the Company and will have overall responsibility for setting the Company's strategic aims, defining the business plan and strategy and managing the financial and operational resources of the Company.

In this regard, the Board proposes, so far as is practicable given the Company's size and stage of its development, to voluntarily adopt and comply with the QCA Code. As a result, there will be certain provisions of the QCA Code which the Company will not adhere to currently, and their adoption will be delayed until such time as the Directors believe it is appropriate to do so. It is anticipated that this will occur concurrently with the Company's first material investment or Acquisition.

Following such an Acquisition, the Company will seek to develop its corporate governance stance, and will address key differences to the QCA Code including the implementation of audit, remuneration and nomination committees with appropriate terms of reference, the publication of KPIs, and the development of a corporate and social responsibility policy.

From Admission, the Company will hold formal Board meetings on a quarterly basis, with unscheduled meetings as matters arise which require the attention of the Board. The Board is responsible for the management of the business of the Company, setting the strategic direction of the Company and establishing the policies of the Company. It is the Directors' responsibility to oversee the financial position of the Company and monitor the business and affairs of the Company, on behalf of the Shareholders, to whom they are accountable. The primary duty of the Directors is to act in the best interests of the Company at all times. The Board also addresses issues relating to internal control and the Company's approach to risk management and has formally adopted an anti-corruption and bribery policy.

At Admission, the Company will not have a separate investing committee and therefore the Board as a whole will be responsible for sourcing Acquisitions and ensuring that opportunities are in conformity with the Company's strategy.

The Board, with input from the Strategic Advisor will meet regularly to discuss possible Acquisition opportunities for the Company, monitor the deal flow and investment and Acquisitions in progress, and review the Company's strategy to ensure that it remains aligned to the delivery of Shareholder value.

The Directors will adopt Financial Position and Prospects Procedures ("FPPP") appropriate to the size of the Company and focused on careful management of the Company's cash and financial resources through Board level approvals. At such time that the Company completes an Acquisition, the Directors anticipate that the Company's FPPP regime will be updated and expanded as necessary to cater for the nature of the Company's business following completion of its inaugural investment or Acquisition.

The Company has adopted, with effect from Admission, a share dealing code regulating trading and confidentiality of inside information for the Directors and other persons discharging managerial responsibilities (and their persons closely associated) which contains provisions appropriate for a company whose shares are admitted to trading on the Official List (particularly relating to dealing during closed periods which will be in line with the Market Abuse Regulation). The Company will take all reasonable steps to ensure compliance by the Directors and any relevant employees with the terms of that share dealing code.

5. DIRECTORS' INTERESTS

5.1 Disclosure

Save as set out in this Part V, as at the date of this Document:

- (a) no Director will, and no person so connected with a Director has, or is expected to have, any interest in the share capital of the Company or any of its subsidiaries or any options over Ordinary Shares; and
- (b) no Director or member of a Director's family has, or will have upon Admission, any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of the Ordinary Shares.

5.2 Directors' shareholdings

The following table sets out the interests of the Directors, their immediate families and persons connected with them. All the holdings noted below are as at the Last Practicable Date and immediately following Admission.

<i>Name</i>	<i>No of Ordinary Shares held as at the Last Practicable Date</i>	<i>Percentage of Ordinary Shares held as at the Last Practicable Date</i>	<i>No of Ordinary Shares held immediately following Admission</i>	<i>Percentage of Ordinary Shares held immediately following Admission</i>
Hermco Property Limited*	15,000,000	50.0%	15,000,000	21.4%
David Jeffreys Williams	14,250,000	47.5%	14,250,000	20.4%

*100 per cent. owned by Peter William Gregory Tom CBE

5.3 Directors and Founder Warrants

As at the date of this Document, the Directors and Founders had outstanding Warrants and awards over Ordinary Shares as set out in the table below:

<i>Name</i>	<i>Date of grant</i>	<i>Number of Ordinary Shares to which grant relates</i>	<i>Exercise price</i>	<i>Vesting schedule/ conditions</i>
Hermco Property Limited*	13 September 2021	15,000,000	£0.10	Exercisable from date of first Acquisition of £10 million or more
David Jeffreys Williams	13 September 2021	14,250,000	£0.10	Exercisable from date of first Acquisition of £10 million or more
Tessera Investment Management Limited	13 September 2021	250,000	£0.10	Exercisable from date of first Acquisition of £10 million or more

*100 per cent. owned by Peter William Gregory Tom CBE

6. ADDITIONAL INFORMATION ON THE DIRECTORS

- (a) As at the date of this Document and save as set out below, the Directors have not held any directorships of any other company at any time in the five years preceding the date of this Document:

<i>Director</i>	<i>Current directorships</i>	<i>Past directorships</i>
Peter William Gregory Tom CBE	Airjet Limited Beach House Limited Beach Restaurant Limited Grass Roots Rugby Limited Hermco Property Limited Leicester Football Club Plc Leicester Rugby Club Limited Leicester Tigers Limited Leicester Tigers Loan Notes Limited The Midlands Conference Centre Ltd PRL Investor Limited Rise Rocks Limited Tigers Events Limited	Breedon Group Plc Breedon Holdings Limited El Sol (Channel Islands) Limited Fondon Holdings Limited Jacksons (CI) Limited Jacksons Vehicle Finance Limited Lamada Limited MM Car & Van Leasing Limited MM Fuels Limited Octane Property Limited Premier Rugby Limited Professional Outsourcing Solutions Limited SHG (1) Limited Sports Holdings Limited Thrive Limited Tigers Developments Limited Trinity Tyres (20014) Limited

<i>Director</i>	<i>Current directorships</i>	<i>Past directorships</i>
David Williams	Acceler8 Ventures Plc Acceler8 Ventures Subco Limited Brookcourt Solutions Limited Dunning's Ltd DW Pension Fund Ltd Geolang Holdings Limited Geolang Limited Grissan Ltd Jersey Royal Land Holdings Ltd MyEye Technology Ltd Peclet Communications Ltd Peclet Ltd Pentest Limited Red Capital Limited Red Capital Subco Limited SecurEnvoy Limited Shearwater Group Plc Shearwater Shared Services Limited Shearwater Subco Limited Xcina Consulting Limited Xcina Limited Wentworth Ltd	Breedon Group plc Conygar Advantage Limited Conygar Cross Hands Limited Conygar Haverfordwest Retail Limited Conygar Rhosgoch Limited Lamont Property Acquisition (Jersey) I Limited Lamont Property Acquisition (Jersey) II Limited Lamont Property Acquisition (Jersey) IV Limited Lamont Property Acquisition (Jersey) V Limited Lamont Property Acquisition (Jersey) VII Limited Lamont Property Holdings Limited Oxford Biodynamics plc TAPP Maidenhead Limited TAPP Property Limited Tessera Partners UK Limited The Advantage Property Income Trust Limited TOPP Bletchley Limited TOPP Holdings Limited TOPP Property Limited

- (b) Peter William Gregory Tom CBE has not at any time in the five years preceding the date of this Document been a partner in any partnership. David Williams is a partner of Tessera Investment Partners LLP ("**TIP**"), which is a dormant entity. TIP was incorporated in 2013 as a potential investment vehicle for a specific investment opportunity at the time. Each of David Williams, Anthony John Morris and Kathleen Joy Long hold a one third interest in TIP. TIP has been dormant since 2017, having never actually undertaken any activity.
- (c) TIP owns the entire issued share capital of Tessera Partners UK Limited ("**TPUL**"), which as per paragraph 6(a) of this Part V (*Directors, advisory team and Corporate Governance*), David Williams held a past directorship of in the five years preceding the date of this Document. TPUL has also been dormant since 2017 and has not undertaken any activity since its incorporation.
- (d) Neither TIP nor TPUL are a part of the same group of companies as Tessera, which is a Founder. Tessera is a company that was formed by Anthony John Morris and Kathleen Joy Long; Anthony John Morris and Kathleen Joy Long are the only directors and shareholders (which has been the case since it was incorporated) of Tessera. Tessera delivers corporate development activity and strategic advisory services to public and private organisations and is an active trading company. The Company has entered into a strategic advisory agreement with Tessera, as further detailed in paragraph 14.6 of Part VI (*Additional Information*) of this Document. There are no other entities within the Tessera group of companies/partnerships. Therefore, David Williams:
- (i) is not a current director of, nor has he ever been, a director of Tessera;
 - (ii) has never been a shareholder of Tessera; and
 - (iii) does not have any direct contractual or economic relationship with Tessera.
- (e) Save as disclosed in paragraph 15 of Part 1 (*Information on the Company, investment opportunity and strategy*) of this Document, neither of the Directors have any potential conflicts of interest between their duties to the Company and their private interests and/or their duties to third parties, or know of any director, officer, or major Shareholder of the Group or any of their connected persons, with an adverse interest to any member of the Group.

- (f) Neither of the Directors know of any present circumstances that are likely to lead to any member of the Group becoming a party to any litigation or court proceedings.
- (g) For at least the previous five years, neither of the Directors have:
- (i) any convictions in relation to fraudulent offences;
 - (ii) any unspent convictions in relation to indictable offences in the UK or any other jurisdiction, or any unsatisfied judgments or liens outstanding against him / her;
 - (iii) had a bankruptcy order, receiving order or sequestration made against him / her or made an individual voluntary arrangement;
 - (iv) been a director of a company which has been placed in receivership, compulsory liquidation, creditors voluntary liquidation, administration, company voluntary arrangement or made any composition or arrangement with its creditors generally or of any class of its creditors whilst he / she was a director of that company or within 12 months after he / she ceased to be a director of that company;
 - (v) been a partner in a partnership which has been placed in compulsory liquidation, administration or made a partnership voluntary arrangement whilst he / she was a partner in that partnership or within 12 months after he / she ceased to be a partner in that partnership;
 - (vi) had any asset placed in receivership or any asset of a partnership in which he / she was a partner placed in receivership whilst he / she was a partner in that partnership or within 12 months after he / she ceased to be a partner in that partnership;
 - (vii) been subject to any official public incrimination and/or sanctions or publicly criticised by any statutory or regulatory authority (including recognised professional bodies) or disqualified by a court from acting as a member of the administrative, management or supervisory bodies or as a director of a company or from acting in the management or conduct of the affairs of any company; or
 - (viii) been, in any jurisdiction, a director, shareholder (other than as a shareholder of less than one per cent. of shares of a publicly quoted company), partner or proprietor or otherwise connected with any company, firm or partnership that has been (a) the subject of or linked with an investigation, inspection or inquiry by an inspector appointed under companies legislation, or other securities enactments or by any other government department or regulatory body, or (b) required to produce books and papers to any relevant authority in relation to any matter arising at a time during which he / she were concerned in that company or partnership (or within the following 12 months).

7. DIRECTORS' SERVICE AGREEMENTS AND ENTITLEMENTS

- (a) Each of the Non-executive Directors has entered into a letter of appointment with the Company. The principal terms are summarised below:

<i>Director</i>	<i>Job title</i>	<i>Annual fee</i>	<i>Other benefit</i>	<i>Date of Letter of Appointment</i>	<i>Period served in office as at the date of this Document</i>	<i>Expiration of current term of office</i>
Peter William Gregory Tom CBE	Non-executive Chairman	£30,000	–	14 September 2021	One month	Next AGM in 2022
David Jeffreys Williams	Non-executive Director	£20,000	–	14 September 2021	Five months	Next AGM in 2022

- (b) Save as set out in this paragraph 7 of this Part V (*Directors, advisory team and Corporate Governance*), there are no existing or proposed service agreements between any of the Directors and the Company.
- (c) The Directors are not employees of the Company. Therefore, there are no service agreements between any of the Directors and the Company providing for benefits upon termination of employment and the Directors' letters of appointment do not provide for benefits upon termination, subject to the relevant

Director being entitled to accrued fees as at the date of termination together with reimbursement of any expenses properly incurred by that Director prior to that date of termination.

- (d) The Company does not operate any pension schemes. Accordingly, the Company does not set aside or accrue amounts to provide for pension, retirement or similar benefits.
- (e) The aggregate remuneration paid and benefits in kind granted to the Directors, including amounts paid from the Company during the period ended 30 April 2021, amounted to £nil.
- (f) As at the date of this Document, the Company does not currently have any employees, and since incorporation the Company has not had any employees.

8. SUBCO INCENTIVE SCHEME

The Company has implemented arrangements pursuant to which shares in Subco (Subco B Shares, with the rights summarised in paragraph 5 of Part VI (*Additional Information*) of this Document) in order to incentivise the Directors and key advisors to the Company, as well as incoming operating partners and management teams in the delivery of Shareholder value.

Under the terms of the Subco B Shares, participants only realise value from their shares if the value of a specified number of Ordinary Shares (subject to various adjustments including for the payment of dividends) has increased by at least 10 per cent. per annum compounded from the date of Admission to the date of the Trigger Event (the “**Compound Annual Growth Rate Target**” or “**CAGR Target**”). The Trigger Event is the first to occur of the CAGR Target being met at any time between the third and fifth anniversary (inclusive) of the date of Admission (a “**CAGR Trigger**”), the fifth anniversary of the date of Admission (where the CAGR Target is not met at that date), or a change of control of the Company or Subco.

If the CAGR Target is met at the Trigger Event, the participant has the right to sell the Subco B Shares to the Company at a specified price, more particularly explained in paragraph 5 of Part VI (*Additional Information*). The Company may purchase the Subco B Shares with a cash payment or an issue of Ordinary Shares. On the assumption that all the Subco B Shares were in issue on the date of Admission, the maximum pay-out on a Trigger Event where the CAGR Target is met would be 15 per cent. of the overall increase in Shareholder value (whether from share price growth or dividends) from the date of Admission to the date the participant exercises (or is treated as exercising) their right. For a CAGR Trigger, the participant has until 30 days after the fifth anniversary of date of Admission to exercise (although exercises after the fifth anniversary are treated as occurring on the anniversary for these purposes). If the Trigger Event is a change of control, or a change of control occurs after a CAGR Trigger, the participant has 30 days from the change of control to exercise, but is treated for these purposes as exercising on the change of control. Where Subco B Shares are issued after the Commencement Date, the relevant participants only participate in the increase in value from the date their shares are issued.

The Company in certain cases will have the right to purchase Subco B Shares from participants other than on a Trigger Event and in certain circumstances at the subscription value (such as in certain circumstances when the participant ceases to be a Group employee).

On Admission, Hermco Property Limited (100 per cent. owned by Peter Tom), David Williams, Kathleen Long and Anthony Morris are the only holders of Subco B Shares, and as such, currently 110,000 B Shares have been issued under these arrangements, which is 73.3 per cent. of the maximum number of B Shares which may be issued under the terms of the scheme, being 150,000 B Shares. These currently issued B Shares represent a maximum of 11 per cent. of the increase in shareholder value. Therefore, the Company has “reserved” 40,000 B shares for future key team hires (being 26.7 per cent. of the maximum number of B Shares). It is anticipated that as new key hires join the Company, they may be issued Subco B Shares to the extent there is residual headroom in the total cap of 150,000 B Shares or, as appropriate, they may instead participate in more traditional long term Company share incentive schemes. These “unallocated” 40,000 B shares if / when issued, would equate to 4 per cent. of the 15 per cent. of total shareholder value that if delivered, would be allocated to participants in the arrangements.

9. SUMMARY OF REMUNERATION/INCENTIVE ARRANGEMENTS

9.1 **Directors**

9.2 Set out in the table below is a summary of the remuneration and incentive arrangements that may be available to the Directors, as contemplated at Admission:

9.3 <i>Timing</i>	<i>Nature of remuneration/incentive arrangements</i>
Prior to an Acquisition	● The Directors will be entitled to their annual fees under their respective letters of appointment, details of which are set out in paragraph 7 of this Part V (<i>Directors, advisory team and corporate governance</i>). ● The Directors may be entitled to derive value through their participation in the Subco B Scheme if the value of a specified number of Ordinary Shares (subject to various adjustments including for the payment of dividends) has increased by at least 10 per cent. per annum compounded from the date of Admission to the date of the Trigger Event (the “Compound Annual Growth Rate Target” or “CAGR Target”). The Trigger Event is the first to occur of the CAGR Target being met at any time between the third and fifth anniversary (inclusive) of the date of Admission (a “CAGR Trigger”), the fifth anniversary of the date of Admission (where the CAGR Target is not met at that date), or a change of control of the Company or Subco. Further details are set out in paragraph 16 of Part I (<i>Information on the Company, investment opportunity and strategy</i>).
On an Acquisition	● The Directors will continue to be entitled to their annual fees under their respective letters of appointment, details of which are set out in paragraph 7 of this Part V (<i>Directors, advisory team and corporate governance</i>), but no specific incentive arrangement is contemplated.
Following an Acquisition	● The Directors will continue to be entitled to their annual fees under their respective letters of appointment, details of which are set out in paragraph 7 of this Part V (<i>Directors, advisory team and corporate governance</i>), albeit the annual fees may be increased to reflect market norms for a listed company the size of the enlarged group. ● The Directors may be entitled to derive value through their participation in the Subco B Scheme if the value of a specified number of Ordinary Shares (subject to various adjustments including for the payment of dividends) has increased by at least 10 per cent. per annum compounded from the date of Admission to the date of the Trigger Event (the “Compound Annual Growth Rate Target” or “CAGR Target”). The Trigger Event is the first to occur of the CAGR Target being met at any time between the third and fifth anniversary (inclusive) of the date of Admission (a “CAGR Trigger”), the fifth anniversary of the date of Admission (where the CAGR Target is not met at that date), or a change of control of the Company or Subco. Further details are set out in paragraph 16 of Part I (<i>Information on the Company, investment opportunity and strategy</i>).

9.4 **Tessera**

9.5 Set out in the table below is a summary of the remuneration and incentive arrangements that may be available to Tessera, as contemplated at Admission:

9.6 <i>Timing</i>	<i>Nature of remuneration/incentive arrangements</i>
Prior to an Acquisition	● On Admission, Tessera will be entitled to an initial transaction fee of £50,000 (plus VAT) payable on Admission for transaction management services provided to the Company in connection with Admission and the Placing. Further details are set out in paragraph 10.5 of Part V (<i>Additional Information</i>).

	● Following Admission, Tessera will provide strategic advisory services to the Company, including general corporate advice, and acquisition and capital raising transaction support, and will be paid a fixed monthly retainer fee of £5,000 (plus VAT) per month payable in arrears. Further details are set out in paragraph 10.5 of Part V (<i>Additional Information</i>). ● Tessera may be entitled to derive value through its participation in the Subco B Scheme if the value of a specified number of Ordinary Shares (subject to various adjustments including for the payment of dividends) has increased by at least 10 per cent. per annum compounded from the date of Admission to the date of the Trigger Event (the “Compound Annual Growth Rate Target” or “CAGR Target”). The Trigger Event is the first to occur of the CAGR Target being met at any time between the third and fifth anniversary (inclusive) of the date of Admission (a “CAGR Trigger”), the fifth anniversary of the date of Admission (where the CAGR Target is not met at that date), or a change of control of the Company or Subco. Further details are set out in paragraph 16 of Part I (<i>Information on the Company, investment opportunity and strategy</i>).
On an Acquisition	● A success fee payable to Tessera may be agreed between the Company and Tessera at the time that an Acquisition is completed, but the payment of any such success fee would be entirely at the discretion of the Directors. Further details are set out in paragraph 10.5 of Part V (<i>Additional Information</i>).
Following an Acquisition	● Tessera will continue to be entitled to its fees of £5,000 (plus VAT) per month for the provision of strategic advisory services to the Company. Further details are set out in paragraph 10.5 of Part V (<i>Additional Information</i>). ● Tessera may be entitled to derive value through its participation in the Subco B Scheme if the value of a specified number of Ordinary Shares (subject to various adjustments including for the payment of dividends) has increased by at least 10 per cent. per annum compounded from the date of Admission to the date of the Trigger Event (the “Compound Annual Growth Rate Target” or “CAGR Target”). The Trigger Event is the first to occur of the CAGR Target being met at any time between the third and fifth anniversary (inclusive) of the date of Admission (a “CAGR Trigger”), the fifth anniversary of the date of Admission (where the CAGR Target is not met at that date), or a change of control of the Company or Subco. Further details are set out in paragraph 16 of Part I (<i>Information on the Company, investment opportunity and strategy</i>).

PART VI

ADDITIONAL INFORMATION

1. RESPONSIBILITY

The Company and each of the Directors, whose names and proposed functions are set out in Part V (*Directors, advisory team and Corporate Governance*) of this Document, accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company, the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

2. THE COMPANY

- (a) The Company was incorporated and registered in Jersey on 31 March 2021 under the Companies Law as a private limited company with registered number 134743 with the name "Bay Capital Limited". It was re-registered as a public company on 8 September 2021. The Company is operating in conformity with its constitution.
- (b) The principal legislation under which the Company operates, and under which the Ordinary Shares will be created, is the Companies Law. The liability of the Company's members is limited.
- (c) The registered office of the Company is at 28 Esplanade, St. Helier, Channel Islands, JE2 3QA, Jersey (telephone number +44 (0) 1534 700000).
- (d) The Company is resident for tax purposes in Jersey. The Jersey establishment office and principal place of business of the Company is at 28 Esplanade, St. Helier, Channel Islands, JE2 3QA, Jersey.
- (e) The Company was incorporated with the objective of creating value for its investors through the investment, acquisition and subsequent development of target businesses.
- (f) The register of Shareholders is kept by the Registrar at 12 Castle Street, St Helier, Jersey, JE2 3RT.

3. MEMORANDUM AND ARTICLES OF ASSOCIATION

Set out below is a summary of the Company's memorandum of association and the Articles as at the date of this Document. Persons seeking a detailed explanation of any provisions of Jersey law or the differences between it and the laws of England and Wales or any jurisdiction with which they may be more familiar are recommended to seek legal advice.

3.1 Memorandum of association

The memorandum of the Company does not restrict the activities of the Company and thus the Company will have unlimited legal capacity and unrestricted corporate capacity.

3.2 The Articles

For the purpose of this paragraph, the following definition shall apply:

"ordinary resolution" means a resolution of the Company passed by a simple majority of the votes cast on that resolution.

The Articles were adopted by the Company on 15 September 2021. The Articles include, *inter alia*, provisions to the following effect.

(a) General meetings

The Board shall convene and the Company shall hold general meetings and annual general meetings in accordance with the Companies Law.

The Board may convene general meetings whenever it thinks fit. At least 14 clear days' written notice shall be given of every annual general meeting and of all other general meetings. A meeting may also be called on shorter notice if it is so agreed that:

- (i) in the case of an annual general meeting, by all the Shareholders entitled to attend and vote at that meeting; and
- (ii) in the case of any other meeting, by a majority in number of the Shareholders having a right to attend and vote at that meeting, being a majority together holding not less than 95 per cent. where a Special Resolution is to be considered or 90 per cent. for all other meetings, of the total voting rights of the Shareholders who have that right.

The notice for any general meeting shall specify:

- (iii) whether the meeting is an annual general meeting;
- (iv) the day, time and place of the meeting;
- (v) the general nature of the business of the meeting;
- (vi) any intention to propose a resolution as a Special Resolution; and
- (vii) that a person entitled to attend and vote is entitled to appoint one or more proxies to attend, to speak and to vote instead of him and that a proxy need not also be a Shareholder.

All Shareholders who are entitled to receive notice under the Articles must be given notice. Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting.

Before a general meeting starts, there must be a quorum, being not less than two members present in person or by proxy.

A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the capital of the Company. The chairman may with the consent of a meeting at which a quorum is present, adjourn the meeting.

(b) **Dividends**

Subject to the provisions of the Companies Law, the Company may, by ordinary resolution, declare dividends to be paid to members of the Company according to their rights and interests in the Company, but no dividend shall be declared in excess of the amount recommended by the Board.

Subject to the provisions of the Companies Law, the Board may pay interim dividends if it appears to the Board to be justified, on such dates and in respect of such periods as it thinks fit.

The Board may, if authorised by an ordinary resolution, offer any holder of Ordinary Shares the right to elect to receive additional Ordinary Shares, credited as fully paid, instead of cash in respect of the whole or some part (as determined by the Board) of any dividend specified by such ordinary resolution.

Except as otherwise provided by the rights attaching to, or terms of issue of, any Ordinary Shares, all dividends shall be apportioned and paid *pro rata* according to the amounts paid or credited as paid up (other than in advance of calls) on the Ordinary Shares during any portion or portions of the period in respect of which the dividend is paid. Any dividend unclaimed after a period of 10 years from the date of declaration shall be forfeited and shall revert to the Company.

The Board may withhold any dividend payable on Ordinary Shares representing not less than 0.25 per cent. by value of the Ordinary Shares after there has been a failure to comply with

any notice requiring the disclosure of information relating to interests in the Ordinary Shares concerned as referred to below.

(c) **Return of capital**

Pursuant to the Companies Law, subject to any enactment as to the order of payment of debts, the Company's property on a winding-up will be applied in satisfaction of the Company's liabilities *pari passu* and any remaining property of the Company will be distributed among the members according to their rights and interests in the Company.

On a voluntary winding-up of the Company, the liquidator may, with the sanction of a Special Resolution of the Company and subject to the Companies Law, divide among the Shareholders the whole or any part of the assets of the Company. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he, with the like sanction, shall determine, but no member shall be compelled to accept any assets on which there is a liability.

(d) **Allotment of securities and pre-emption rights**

The Articles require that, whilst the Ordinary Shares are admitted to trading on AIM or the Official List, the Directors shall not exercise any power of the Company to allot shares in the Company, or the right to subscribe for or convert any security into shares in the Company, unless they are authorised to do so by the Company in a general meeting in accordance with the Articles. The maximum number of securities that may be allotted under such authority and the date on which the authority will expire must be stated in the relevant resolution, which date must not exceed 15 months from when the resolution was passed.

Although the Companies Law does not provide any statutory pre-emption rights, the Articles provide that whilst the Ordinary Shares are admitted to trading on AIM or the Official List, any equity securities to be allotted by the Company wholly for cash must first be offered to existing Shareholders in proportion to their respective holdings of Ordinary Shares, unless they are authorised to do so by the Company in a general meeting in accordance with the Articles. The maximum number of equity securities that may be issued or granted as if pre-emption rights do not apply must be stated in the relevant resolution and such authority shall expire on the same date. The pre-emption rights shall not apply with respect to any Ordinary Shares which may be issued to purchase Subco B Shares pursuant to the Subco Incentive Scheme or as approved by Special Resolution.

(e) **Variation of rights**

Subject to the provisions of the Companies Law and to any rights attaching to Ordinary Shares, all or any of the rights attached to any class of share may be varied (whether or not the Company is being wound up) either with the written consent of the holders of not less than two-thirds of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a Special Resolution passed at a separate general meeting of the holders of shares of the class duly convened and held. The quorum at any such general meeting is two persons together holding or representing by proxy at least one-third of the issued shares of that class (excluding any shares of that class held as treasury shares) and at an adjourned meeting the quorum is one holder present in person or by proxy, whatever the amount of his shareholding. Any holder(s) of the issued shares of the class in question present in person or by proxy may demand a poll. Every holder of shares of the class shall be entitled, on a poll, to one vote for every share of the class held by him. Except as mentioned above, such rights shall not be varied.

The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the Articles or the conditions of issue of such shares, be deemed to be varied by the creation or issue of new shares ranking *pari passu* therewith or subsequent thereto.

(f) **Share capital and changes in capital**

Subject to and in accordance with the provisions of the Companies Law, the Company may issue redeemable shares. Without prejudice to any special rights previously conferred on the

holders of any existing shares, any share may be issued with such rights or such restrictions as the Company shall from time to time determine by ordinary resolution.

Subject to the provisions of the Articles and the Companies Law, the power of the Company to offer, allot and issue any shares lawfully held by the Company or on its behalf (such as shares held in treasury) shall be exercised by the Board at such time and for such consideration and upon such terms and conditions as the Board shall determine.

The Company may by special resolution alter its share capital in accordance with the Companies Law. The resolution may determine that, as between the holders of shares resulting from the sub-division, any of the shares may have any preference or advantage or be subject to any restriction as compared with the others.

Subject to the Companies Law, the Company may by Special Resolution reduce its share capital, any stated capital account or other reserve in any way. Subject to the Companies Law and to any rights conferred on the holders of any class of shares, the Company may purchase all or any of its own shares of any class (including any redeemable shares) in any way and at any price. The Company may only purchase Ordinary Shares out of cash or in specie (or partly in one way and partly in another way).

(g) **Transfer of shares**

Without prejudice to any power of the Company to register as a Shareholder a person to whom the right to any share has been transmitted by operation of law, the instrument of transfer of a certificated share may be in the usual form or in any other form approved by the Board and shall be signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

In respect of shares which are in uncertificated form, any shareholder may transfer all or any such shares, subject to the CREST Regulations, by means of a relevant system, provided that legal title to such shares shall not pass until the transfer is entered in the register.

The Board may refuse to register the transfer of a share in certificated form unless the instrument of transfer: (i) is lodged at the registered office of the Company or at another place appointed by the Board, accompanied by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; (ii) is in respect of only one class of share; and (iii) is in favour of not more than four transferees.

If the Board refuses to register a transfer of shares, it shall send the transferee notice of its refusal within two months after the date on which the instrument of transfer was lodged with the Company or, in the case of uncertificated shares, the instruction from Euroclear was received by the Company.

Save for at the discretion of the Directors, no fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to a share, or for making any other entry in the register.

Pursuant to article 10 of the Articles, if at any time the Company shall have a class of shares admitted to trading on the London Stock Exchange, or on any other regulated market, or the Company has made a request for the admission to trading of a class of shares on such a market, the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules (“DTR5”) and the provisions of DTR5 shall be deemed to be incorporated by reference into the Articles and accordingly the vote holder and issuer notification rules set out in DTR5 shall apply to the Company and each holder of shares in the share capital of the Company.

(h) **Disclosure of interests in shares**

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules are generally incorporated in the Articles and apply to the Company so that Shareholders are required under the Articles to notify the Company of the percentage of their voting rights held as a Shareholder or, through their direct or indirect holding of certain financial instruments (or a combination of

such holdings), if the percentage of those voting rights reaches, exceeds or falls below 5 per cent., 10 per cent., 15 per cent., 20 per cent., 25 per cent., 30 per cent., 50 per cent., or 75 per cent. A Shareholder must make the notification without delay (and in any event within four trading days) after becoming aware (or when they ought reasonably to have become aware) of the event or change.

If any Shareholder has failed to comply with these requirements and the Board has served notice on that person asking them to make such a notification, and that person has not responded to the Board's notice with the information required under article 10 of the Articles within three Business Days of such notice, the Directors may, by notice to the holder of the Ordinary Shares, suspend their rights as to vote or otherwise exercise the rights referred to in the Articles in respect of any Ordinary Shares.

During the period of such suspension, where such issued share capital represents not less than 0.25 per cent., any dividend or other amount payable in respect of the Ordinary Shares shall be retained by the Company without any obligation to pay interest thereon.

(i) **Voting rights of members**

Subject to any special terms as to voting attached to any shares and to the Articles, on a show of hands every member who is present in person, by proxy or by a duly authorised corporate representative shall have one vote, and on a poll every member who is present in person, by proxy or by a duly authorised corporate representative shall have one vote for every share of which he is the holder. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A member may appoint more than one proxy.

No member shall be entitled to vote at any general meeting unless all monies presently payable by him in respect of shares in the Company have been paid.

Unless the Board determines otherwise, a Shareholder is also not entitled to attend or vote at meetings of the Company in respect of any shares held by him in relation to which he or any other person appearing to be interested in such shares has been duly served with a notice and, having failed to comply with such notice within the period specified in such notice (being not less than 28 days from the date of service of such notice (or, in respect of shares representing at least 0.25 per cent. of their class for which there has been a failure to comply with such notice, 14 days)) is served with a disenfranchisement notice. Such disenfranchisement will apply only for so long as the notice from the Company has not been complied with or until the Company has withdrawn the disenfranchisement notice, whichever is the earlier.

(j) **Borrowing powers**

The Directors may exercise all the powers of the Company to borrow or raise money, to mortgage or charge all or any of its undertaking, property, assets (present and future) and uncalled capital, to issue debentures and other securities, and to give security whether outright or as collateral security for any debt, liability or obligation of the Company, any subsidiary of the Company or of any third party.

The above borrowing powers may be varied by an alteration to the Articles which would require a Special Resolution of the Shareholders.

(k) **Directors**

(i) *Appointment of Directors*

Unless otherwise determined by ordinary resolution, the number of Directors shall be not less than two but there shall be no maximum number. Directors may be appointed by ordinary resolution or by the Board.

Any Director may appoint any other Director or other person, approved by resolution of the Board and willing to act, to be an alternate Director.

Subject to the provisions of the Companies Law, the Board may appoint one or more of its body to be the holder of any executive office (except that of auditor) in the Company and may enter into an agreement or arrangement with any Director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a Director. Any such appointment, agreement or arrangement may be made on such terms, including, without limitation, terms as to remuneration, as the Board determines. The Board may revoke or vary any such appointment but without prejudice to any rights or claims which the person whose appointment is revoked or varied may have against the Company because of the revocation or variation.

(ii) *No share qualification*

A Director shall not be required to hold any shares of the Company by way of qualification.

(iii) *Retirement of Directors by rotation*

The Directors are obliged to retire by rotation and are eligible for re-election at each annual general meeting. Any Director appointed by the Board, either to fill a casual vacancy or as an addition to the existing Board, holds office only until the next annual general meeting, when he is eligible for re-election.

(iv) *Powers of Directors*

Subject to the provisions of the Companies Law and any direction given by Special Resolution, the business of the Company shall be managed by the Board, which may exercise all powers of the Company. The Board may delegate any of its powers to any committee consisting of one or more Directors. The Board may also delegate any of its powers to any Director holding any executive office.

(v) *Remuneration of Directors*

The Directors shall be paid such remuneration by way of fees for their services as may be determined by the Board, unless otherwise approved by ordinary resolution of the Company in a general meeting.

The Directors shall also be entitled to be repaid by the Company all hotel expenses and other expenses of travelling to and from Board meetings, committee meetings, and general meetings or otherwise incurred while engaged in the business of the Company.

(vi) *Permitted interests of Directors*

Subject to the Companies Law, and provided he has made the necessary disclosures, a Director may be a party to or otherwise directly or indirectly interested in any transaction or arrangement with the Company or in which the Company is otherwise interested or a proposed transaction or arrangement with the Company, or be interested in another body corporate promoted by the Company or any such subsidiary or in which the Company or any such subsidiary is otherwise interested.

Subject to the Companies Law, the Board has the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under the Companies Law to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. Any such authorisation will only be effective if the matter is proposed in writing for consideration in accordance with the Board's normal procedures, any requirement about the quorum of the meeting is met without including the Director in question and any other interested Director and the matter was agreed to without such Directors voting (or would have been agreed to if the votes of such Directors had not been counted). The Board may impose terms or conditions in respect of its authorisation.

(vii) *Restrictions on voting*

Save as mentioned below, a Director shall be able to vote in respect of any matter in which he has, directly or indirectly, any material interest (otherwise than by virtue of his

interests in shares or debentures or other securities of, or otherwise in or through, the Company) provided that interest is declared. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

A Director shall (in the absence of direct or indirect material interests) be entitled to vote (and be counted in the quorum).

(l) **Indemnity of officers**

The Directors of the Company are entitled to be indemnified against all losses and liabilities which they may sustain in the execution of the duties of their office, except to the extent that such an indemnity is not permitted by the Companies Law. The Company may also provide a Director with funds to meet expenditure incurred in connection with proceedings brought by a regulatory authority.

(m) **Electronic communication**

The Company may communicate electronically with its members in accordance with the provisions of the Electronic Communications (Jersey) Law 2000, as amended from time to time.

4. SHARE CAPITAL

The share capital history of the Company for the period covered by the historical financial information, as set out in Part III (*Financial Information of the Group*) of this Document, is set out below:

- (a) On incorporation on 31 March 2021, the Company had an authorised share capital of £10,000.00 divided into 10,000 ordinary shares of par value of £1 each, of which one ordinary share was issued to each of the Founders. The two ordinary shares were each issued for consideration of £1.00 per share.
- (b) On 19 August 2021, the Company sub-divided its share capital by way of special resolution of the members of the Company to alter the Company's memorandum of association and the Articles ("**Sub-division**"). Pursuant to the Sub-division, the two ordinary shares of £1.00 each in the issued share capital of the Company were split into 200 Ordinary Shares. Following the Sub-division, 180 Ordinary Shares were re-designated as deferred shares ("**Deferred Shares**") of par value £0.01 each ("**Re-designation**"). Following the Sub-division and Re-designation:
 - (i) the issued share capital of the Company was comprised of 20 Ordinary Shares and 180 Deferred Shares; and
 - (ii) the Company had an authorised share capital of £10,000 divided into 999,800 ordinary shares of par value £0.01 each and 200 deferred shares of a par value £0.01 each.
- (c) On 19 August 2021, in accordance with article 5B of the Articles, the Company redeemed for nil consideration the Deferred Shares ("**Redemption**"). Any amounts standing to the credit of any nominal or share premium account relating to Deferred Shares that were redeemed were credited to a capital reserve of the Company and are available for use in accordance with the Companies Law.
- (d) On 25 August 2021, the Company increased its authorised share capital to £700,000 and issued and allotted 29,999,980 Ordinary Shares at a price of £0.10 per Ordinary Share to the Existing Shareholders, for aggregate consideration of £29,999,980 in cash. Immediately following that issue and allotment to each of the Existing Shareholders, the issued share capital of the Company was comprised of 30,000,000 Ordinary Shares.
- (e) On 13 September 2021, a total of 30,000,000 Warrants were issued to the Existing Shareholders.
- (f) Pursuant to the Placing, 40,000,000 Placing Shares are conditional on Admission occurring on no later than 30 September 2021, and will be issued and allotted at a price of £0.10 per Placing Share to Placees.
- (g) On Admission, the Warrants will be issued to the Placees.
- (h) The following resolutions have been passed:
 - (i) on 19 August 2021, the Company resolved to effect the Sub-Division, Re-Designation and Redemption;

- (ii) on 25 August 2021, the Company resolved to increase the authorised share capital of the Company and issue 29,999,980 new Ordinary Shares at a price of £0.10 each to David Williams, Tessera, Hermco Property Limited and another investor; and
- (iii) on 15 September 2021, the Company resolved to issue new Ordinary Shares in connection with the Placing, to adopt new articles of association and other matters related to the Placing and Admission.
- (i) Immediately following Admission and assuming that all of the Placing Shares are issued, the issued share capital of the Company will be 70,000,000 Ordinary Shares.
- (j) There is no class of shares in issue in the Company other than the Ordinary Shares.
- (k) As at the date of this Document:
 - (i) the Company does not hold any shares in treasury;
 - (ii) the Company does not have any convertible or exchangeable securities;
 - (iii) the Company has not given any undertaking to increase its share capital;
 - (iv) save as otherwise set out in this Document, there are no acquisition rights or obligations over any authorised but unissued capital of the Company; and
 - (v) no capital of the Company is under option or is agreed, conditionally or unconditionally, to be put under option.
- (l) As at the Last Practicable Date, certain Directors hold an aggregate of 90,000 Subco B Shares. Under the terms of those shares, those Directors may, subject to certain targets being met, elect to sell their respective Subco B Shares to the Company and the Company shall acquire those shares in consideration for cash or by the issue of new Ordinary Shares (at the Company's discretion). Further details of the Subco B Share arrangements, including details of the targets and relevant time periods for exercise, are set out in paragraph 5 of this Part VI (*Additional Information*).

5. SUBCO INCENTIVE SCHEME

The Company has put in place arrangements whereby Directors and employees of or advisers to the Group may be issued B ordinary shares in the capital of Subco ("**Subco B Shares**"). The issue of Subco B Shares is at the discretion of the Board, and subject to the recipient executing an appropriate subscription agreement. A maximum of 150,000 Subco B Shares may be issued. Subco B Shares issued on different dates will be designated in different "series" which have differing metrics. The Subco B Shares issued prior to Admission are designated B1 Shares.

The subscription agreements under which the Subco B Shares are issued may provide for circumstances in which the holder may be required to transfer those shares to the Company at a specified price (which may be nothing), such as the holder ceasing to be a Group employee. The intended leaver provisions for Subco B Shares issued to employees are set out below.

Holders of Subco B Shares may sell those shares to the Company pursuant to a put option contained in the rights of the Subco B Shares, following certain Trigger Events, and subject to a compound annual growth rate target being met. Further details of the put option are set out below.

At Admission, a total of 110,000 Subco B Shares have been issued.

5.1 Put option

The holder of a Subco B Share has the right to sell that share to the Company at the relevant Put Price (the "**Put Option**"), by giving notice to the Company during the relevant Exercise Period following a Trigger Event, provided that the CAGR Target is met at the date of the relevant Trigger Event. For these purposes (and for the purposes of paragraph 5.2 below, where relevant):

- (a) The "**Put Price**" per Subco B Share is 1/150,000 of 15 per cent. of:
 - (i) the Exercise Date Market Capitalisation; less
 - (ii) the Initial Market Capitalisation; less

- (iii) any amounts or the value of consideration subscribed for shares in the Company between the issue date of the relevant series of Subco B Shares and the Exercise Date, (other than shares issued pursuant to the Placing); plus
 - (iv) the aggregate amount of dividends paid in respect of Ordinary Shares in the Company between the issue date of the relevant series of Subco B Shares and the Exercise Date.
- (b) A **"Trigger Event"** is the first to occur of the following:
 - (i) the CAGR Target being met at any time between the third and fifth anniversary (inclusive) of the date of Admission (a **"CAGR Trigger"**);
 - (ii) the fifth anniversary of the date of Admission (where the CAGR target is not met at that date); or
 - (iii) a specified change of control of the Company or Subco (a **"Change of Control"**).
- (c) The **"Exercise Period"** is:
 - (i) if the Trigger Event is a CAGR Trigger, the period starting on the date of the Trigger Event and ending 30 days after the fifth anniversary of the date of Admission, or, if earlier, 30 days after a Change of Control;
 - (ii) if the Trigger Event is not a CAGR Trigger, the period of 30 days commencing on the date of the Trigger Event (or such longer period as the Remuneration Committee may permit;

in each case subject to extension if the holder is prevented from exercising the Put Option by the Company's share dealing code or other restriction on dealing.
- (d) The **"Initial Market Capitalisation"** for a series of Subco B Shares is the market capitalisation of the Company at the issue date of the relevant Subco B Shares, which in the case of the B1 Shares shall be taken to be the Initial Value and in the case of any subsequent series of Subco B Shares shall be the number of Ordinary Shares in issue at the relevant issue date multiplied by the closing price of Parent Shares for the trading day before the Issue Date.
- (e) The **"Initial Value"** means the number of Ordinary Shares in issue immediately following Admission multiplied by the Placing Price.
- (f) The **"Exercise Date Market Capitalisation"** means the number of Ordinary Shares in issue on the Exercise Date multiplied by the Exercise Date Company Share Price.
- (g) The **"Exercise Date Company Share Price"** means:
 - (i) where the Trigger Event is a change of control of the Company, the Change of Control Price; or
 - (ii) for any other Trigger Event, the average of the closing share price of an Ordinary Share for the 5 dealing days before the Exercise Date.
- (h) The **"Exercise Date"** means:
 - (i) where the Trigger Event is a CAGR Trigger, the earlier of:
 - (A) the date on which the exercise notice is given, or if later the date he delivers the duly completed stock transfer form in relation to the transfer of the Subco B Shares; and
 - (B) the fifth anniversary of the date of Admission.

provided that where the Put Option is exercised after a change of control the Exercise Date is the date of the change of control;
 - (ii) where the Trigger Event is not a CAGR Trigger, the date of the Trigger Event.
- (i) The **"Change of Control Price"** means the amount per Ordinary Share paid pursuant to the offer or other event giving rise to the change of control (and for these purposes where the relevant consideration is not in the form of cash the value of that consideration for the purposes of this definition shall be determined by the Remuneration Committee)

If the CAGR Target is not met in relation to a Trigger Event, the Put Price is nil. If the CAGR Target is not met in relation to a Trigger Event, or the Put Option has not been exercised by

the end of the Exercise Period, the Company may require a holder of Subco B Shares to transfer those Subco B Shares to it for no consideration.

The Company may satisfy the Put Price by the issue of Ordinary Shares to the holder of Subco B Shares.

5.2 **CAGR Target**

The “**CAGR Target**” is met in relation to a Trigger Event if the Trigger Event Value equals or exceeds the Target Value at that time. For these purposes:

- (a) The “**Trigger Event Value**” in relation to a Trigger Event means the number of Ordinary Shares comprised in the Adjusted Share Capital at that date multiplied by the Trigger Event Company Share Price.
- (b) The “**Adjusted Share Capital**” means the number of Ordinary Shares in issue immediately following Admission, subject to adjustment to take account of any dividends paid by the Company, and if there is a variation of share capital or other corporate event applying to the Company such that the Remuneration Committee determines that an adjustment would be appropriate.
- (c) The “**Trigger Event Company Share Price**” is:
 - (i) where the Trigger Event is a change of control of the Company, the Change of Control Price; or
 - (ii) for any other Trigger Event, the average of the closing share price of an Ordinary Share for the 5 dealing days before the date of the Trigger Event.
- (d) The “**Target Value**” means the Initial Value increased by 10 per cent. per annum from the date of Admission to the date of the Trigger Event, compounding on each anniversary of the date of Admission.

5.3 **Leaver provisions**

Leaver provisions in the subscription agreements for Subco B Shares are at the discretion of the Board, but the current intention is that for Subco B Shares issued to Group employees the following will apply:

- (a) If the employee leaves as a Good Leaver, the Company has six months in which to elect to acquire the employee’s Subco B Shares for the Good Leaver Transfer Price.
- (b) If the employee leaves as a Bad Leaver, the Company has six months in which to elect to acquire the employee’s Subco B Shares for the Bad Leaver Transfer Price.
- (c) “**Good Leaver**” means the employee having ceased to be an employee for one of the following reasons:
 - (i) termination by a Group company other than:
 - (A) summary dismissal; or
 - (B) termination in circumstances where the relevant Group company would have been entitled to dismiss the employee without notice;
 - (ii) death, disability or ill health;
 - (iii) voluntary resignation after a Trigger Event;
 - (iv) any other circumstances where the Remuneration Committee determines that the employee is to be a Good Leaver;
- (d) “**Bad Leaver**” means the employee having ceased to be an employee other than as a Good Leaver.
- (e) The “**Good Leaver Transfer Price**” is the Put Price that would apply on the assumption that the cessation of employment was a Trigger Event (together with certain other specified assumptions).

- (f) The “**Bad Leaver Transfer Price**” is lower of the amount subscribed for the Subco B Shares and the Good Leaver Transfer Price that would apply if the employee were a Good Leaver.

6. SUBSIDIARY UNDERTAKINGS

As at the date of this Document, the Company’s only subsidiary is Subco. Subco was incorporated as a private limited company under the laws of Jersey on 31 March 2021 with registered number 134744 and its registered office at 28 Esplanade, St. Helier, Channel Islands, JE2 3QA, Jersey. Subco is resident for tax purposes in Jersey. The principal law and legislation under which the Company operates is the Companies (Jersey) Law 1991 (as amended from time to time).

The Company holds 100 per cent. of the issued share capital of Subco which carry voting rights as at the Last Practicable Date.

7. MAJOR SHAREHOLDERS

Set out below are, insofar as is known to the Company, the names of those persons who, directly or indirectly, have an interest in 5 per cent. or more of the issued share capital of the Company as at the date of this Document and are anticipated to have an interest immediately following Admission:

<i>Name</i>	<i>No. of Ordinary Shares held at the Last Practicable Date</i>	<i>Percentage of Ordinary Shares held at the Last Practicable Date</i>	<i>No. of Ordinary Shares held immediately following Admission</i>	<i>Percentage of Ordinary Shares anticipated to be held immediately following Admission</i>
JIM Nominees Limited	–	–	16,500,000	23.6%
Hermco Property Limited*	15,000,000	50.0%	15,000,000	21.4%
David Jeffreys Williams	14,250,000	47.50%	14,250,000	20.4%
Huntress (CI) Nominees Limited	–	–	7,000,000	10.0%
Bank of New York (Nominees) Limited	–	–	4,650,000	6.6%

*100 per cent. owned by Peter William Gregory Tom CBE

No holder of Ordinary Shares has voting rights different from other holders of Ordinary Shares.

As at the Last Practicable Date, except as described in this Part VI, the Company is not aware of (i) any person or persons who, directly or indirectly, owns or controls the Company or (ii) any arrangements the operation of which may at a subsequent date result in a change in control in the Company.

Under the rules of the Takeover Code, there is a presumption that each holder of shares in the Company prior to Admission (including that of Tessera Investment Management Limited, David Jeffreys Williams, Hermco Property Limited and David John Morris). Together they hold c.42.9 per cent. of the entire issued share capital of the Company following Admission and an acquisition of any interest in Ordinary Shares held by them following Admission may therefore not trigger the mandatory offer requirements under Rule 9 of the Takeover Code.

8. COMPARISON OF JERSEY LAW AND ENGLISH LAW

8.1 Overview

There are a number of differences between company law in England and Wales and company law in Jersey, which may impact upon the holders of Ordinary Shares. However, where permitted by the Companies Law and considered to be appropriate, rights and protections similar to those provided to shareholders under English law have been conferred on holders of Ordinary Shares by the Articles, including as described in the summary of certain provisions of the Articles set out in this Part VI.

A summary of the key differences between company law in England and Wales, for which the principal legislation is the UK Companies Act, and company law in Jersey, for which the principal legislation is the Companies Law, is set out below. This summary is not a complete and exhaustive analysis of all differences. Persons seeking a detailed explanation of any provisions of the Companies Law or the difference between it and the laws of England and Wales, or any other jurisdiction with which they may be more familiar, should seek specific legal advice.

8.2 **Allotment of shares**

Under the Companies Law, there is no equivalent of section 551 of the UK Companies Act and the directors of a company do not need the sanction of the shareholders to issue and allot shares; however, in accordance with the Articles, whilst the Company is admitted to AIM or listed on the Official List, the Directors must obtain such sanction prior to the issue and allotment of Ordinary Shares.

8.3 **Pre-emption rights**

Jersey law does not grant shareholders the benefit of pre-emption rights in relation to the allotment of new shares in a company unless otherwise specifically included in that company's articles of association. Pre-emption rights have been included in the Articles, details of which are set out in the summary of the Articles in this Part VI.

8.4 **Partly-paid shares**

The Companies Law allows for partly-paid shares to be allotted.

8.5 **Shareholder resolutions**

Under the Companies Law, an ordinary resolution requires a simple majority in favour while a special resolution requires a two-thirds majority in favour (unless the articles of association prescribe a greater majority).

8.6 **Directors' indemnity**

The circumstances in which the Companies Law permits a Jersey company to indemnify its directors in respect of liabilities incurred by its directors in carrying out their duties are limited, and differ slightly to the analogous rules under English law. However, there is no general prohibition on the granting of loans by a Jersey company to its directors (although the directors remain subject to fiduciary duties when considering the grant of any such loans) and any costs incurred in defending any proceedings which relate to anything done or omitted to be done by that director in carrying out his duties may be funded by way of loans from the Company.

8.7 **Directors' interests**

The Companies Law does not require the directors of a Jersey company to disclose to the company their beneficial ownership of any shares in the company (although they must, pursuant to Article 75 of the Companies Law, disclose to the company the nature and extent of any direct or indirect interest which conflicts, or may conflict, to a material extent with a transaction into which the company or any of its subsidiaries is proposing to enter).

8.8 **Compensation payments to directors**

The Companies Law does not require that shareholders approve compensation payments made to directors for loss of office, whereas the Articles reflect the provisions of English law, whereby a payment by a company for loss of office to a director of a company or its holding company must be approved by an ordinary resolution of shareholders.

8.9 **Borrowing power**

The directors of a Jersey company may exercise all of the borrowing powers of the company without limit, unless the articles of association stipulate otherwise.

8.10 ***Disclosure of interests in shares***

The Companies Law does not grant the directors of a Jersey company a statutory power to request information concerning the beneficial ownership of shares, but powers based on section 793 of the UK Companies Act have been incorporated into the Articles entitling the Directors to request information to establish details of interests in shares in the Company.

8.11 ***Notice of meeting***

Any general meeting of a Jersey company may be convened on 14 days' notice (rather than 21 days' notice required under English law for annual general meetings).

8.12 ***Requisition of general meetings***

Under the Companies Law, shareholders holding not less than 10 per cent. of the total voting rights of the shareholders of a company may requisition a meeting of shareholders, whereas under the UK Companies Act this right may be exercised by shareholders representing at least 5 per cent. of the paid up voting capital.

8.13 ***Voting by poll***

Under the Companies Law, at a meeting of shareholders, a poll may be demanded in respect of any question by: (i) no fewer than five shareholders having the right to vote on the question; or (ii) shareholder(s) representing not less than ten (10) per cent. of the total voting rights of all shareholders having the right to vote on the question. Under the UK Companies Act, shareholder(s) representing ten (10) per cent. of the total sum paid up on all shares giving the right to vote may demand a poll.

8.14 ***Proxies***

For public companies, proxies are not permitted to speak at a meeting of members and, unless the articles of association provide otherwise, proxies are not entitled to vote except on a poll. The Companies Law does not permit the appointment of more than one corporate representative by a member in respect of the same shareholding.

8.15 ***Dividends***

The Companies Law has largely moved away from a capital maintenance regime to a solvency-based approach. Jersey companies are permitted to make distributions to shareholders without reference to distributable reserves. Instead, distributions may be made out of a Jersey company's assets (other than any capital redemption reserve), provided the directors approving the distribution give the appropriate solvency statement required by the Companies Law to the effect that the Jersey company will be able to continue its business and meet its liabilities as they fall due for the next 12 months.

8.16 ***Redemptions***

The Companies Law provides that a Jersey company's redeemable shares may be redeemed out of any financial resource of the company. In particular, redeemable shares are allowed to be redeemed in whole or in part out of share capital accounts of the company without the need for capital redemption reserves, provided such shares are fully paid. Redemptions are subject to the same solvency test as for the making of dividends.

8.17 ***Share buybacks***

Jersey companies can buy back their shares from any financial resource of the company. Any such buyback is subject to the same solvency test as for dividends and redemptions. Share buybacks must be approved by way of a Special Resolution of the shareholders. Where such shares are being bought "off-market", there must also be a contract governing the buyback which must be approved by the shareholders.

8.18 ***Bonus issues***

A Jersey company may, by Special Resolution, apply a capital redemption reserve in issuing shares to be allotted as fully paid bonus shares.

8.19 **Donations**

There is no restriction on donations by a company to political organisations under the Companies Law.

8.20 **Unfair prejudice**

Under the Companies Law, it may be more difficult for shareholders to bring a derivative claim against a company than is the case under the UK Companies Act. However, the Companies Law includes an equivalent provision relating to protection of shareholders against unfair prejudice and Jersey has (subject to certain exceptions) a broadly similar position under customary law to the common law position under English law in this regard.

8.21 **Dissolutions**

Under Jersey law, the two procedures for dissolving a Jersey company are winding up and “en désastre” (literally meaning “in disaster”). Concepts such as receivership, administration and voluntary arrangements do not exist under the Companies Law.

The concept of a winding-up is broadly similar to that under English law except that, under the Companies Law, a winding-up may only be commenced by the Jersey company and not by one of its creditors. If the company is solvent, the winding-up will be a summary winding-up. If the company is insolvent, the winding-up will be a creditors’ winding-up.

A creditor wishing to dissolve a Jersey company would seek to have the company’s property declared “en désastre”. If the company’s property is declared “en désastre”, all of the powers and property of the company (whether present or future or situated in Jersey or elsewhere) are vested in the Viscount (an officer of the court). The role of the Viscount is similar to that of a liquidator. The Viscount’s principal duty is to act for the benefit of the company’s creditors. He is not under an obligation to call any creditors’ meetings, although he may do so.

9. **TAKEOVERS**

9.1 **Takeover Code**

The Company is subject to the provisions of the Takeover Code, including the rules regarding mandatory takeover offers set out in the Takeover Code. Under Rule 9 of the Takeover Code, when: (i) a person acquires an interest in shares which, when taken together with shares in which he or persons acting in concert with him (as defined in the Takeover Code) are interested, carry 30 per cent. or more of the voting rights of a company subject to the Takeover Code; or (ii) any person who, together with persons acting in concert with him, is interested in shares carrying not less than 30 per cent. but not more than 50 per cent. of the voting rights of a company subject to the Takeover Code, and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, then, in either case, that person, together with the persons acting in concert with him, is normally required to make a general offer in cash, at the highest price paid by him or any person acting in concert with him for shares in the company within the preceding 12 months, for all of the remaining equity share capital of the company. Under the Takeover Code, a concert party arises where persons acting together pursuant to an agreement or understanding (whether formal or informal) co-operate to obtain or consolidate control of, or frustrate the successful outcome of an offer for, a company subject to the Takeover Code. Control means an interest or interests in shares carrying, in aggregate, 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control. Under the rules of the Takeover Code, there is a presumption that each of the Shareholders who held shares prior to Admission, including Tessera Investment Management Limited, David Jeffreys Williams, Hermco Property Limited and David John Morris are concert parties given they were shareholders of the Company prior to Admission. Together they hold c.42.9 per cent. of the entire issued share capital of the Company following Admission and an acquisition of any interest in Ordinary Shares held by them following Admission may therefore not trigger the mandatory offer requirements under Rule 9 of the Takeover Code.

9.2 **Compulsory acquisition procedure**

The Companies Law provides that, where a person (the “**Offeror**”) makes a takeover offer to acquire all of the shares (or all of the shares in any class) in a Jersey company (other than any shares already held by the Offeror at the date of the offer), if the Offeror has, by virtue of acceptance of the offer, acquired or contracted to acquire not less than 90 per cent., in number of the shares (or class of shares) to which the offer relates, the Offeror may (subject to the requirements of the Companies Law), by notice to the holders of the shares (or class of shares) to which the offer relates which the Offeror has not already acquired or contracted to acquire, compulsorily acquire those shares. A holder of any shares who receives a notice of compulsory acquisition may (within six weeks from the date on which such notice was given) apply to the Jersey court for an order that the Offeror not be entitled and bound to purchase the holder's shares or that the Offeror purchase the holder's shares on terms different to those of the offer.

Where, before the end of the period within which the takeover offer can be accepted, the Offeror has by virtue of acceptance of the offer acquired or contracted to acquire not less than 90 per cent. in number of all of the shares (or all of the shares of a particular class) of the Jersey company, the holder of any shares (or class of shares) to which the offer relates who has not accepted the offer may, by written notice to the Offeror, require the Offeror to acquire the holder's shares. The Offeror shall (subject to the requirements of the Companies Law) be entitled and bound to acquire the holder's shares on the terms of the offer or on such other terms as may be agreed. Where a holder gives the Offeror a notice of compulsory acquisition, each of the Offeror and the holder of the shares is entitled to apply to the Jersey court for an order that the terms on which the Offeror is entitled and bound to acquire the holder's shares shall be such as the court thinks fit.

10. **RELATED PARTY TRANSACTIONS**

Save as set out below, there were no related party transactions entered into by members of the Group in the period commencing on incorporation of the Company on 31 March 2021 up to the Last Practicable Date:

10.1 **Subscriptions prior to Admission**

- (a) On incorporation on 31 March 2021, the Company had an authorised share capital of £10,000 divided into 10,000 Ordinary Shares of par value of £1.00 each, of which one Ordinary Share was issued to each of the Founders. The two Ordinary Shares were each issued for consideration of £1.00 each per Ordinary Share.
- (b) On 25 August 2021, the Company increased its authorised share capital to £700,000 and issued and allotted 29,999,980 Ordinary Shares at a price of £0.10 per Ordinary Share to each of the Existing Shareholders, for an aggregate consideration of £2,999,998 in cash.

10.2 **Directors' shareholdings and Warrants**

The table in paragraph 5.2 (*Directors' shareholdings*) of Part V (*Directors, advisory team and Corporate Governance*) of this Document sets out the interests of the Directors, their immediate families and persons connected with them in the Company. The table in paragraph 5.3 (*Directors' Warrants*) of Part V (*Directors, advisory team and Corporate Governance*) of this Document sets out the outstanding Warrants and awards over Ordinary Shares held by the Directors.

10.3 **Subco Incentive Scheme**

On 14 September 2021, Subco issued certain Subco B Shares to certain Directors and advisors to the Company in order to align the interest of the scheme participants directly with those of Shareholders.

On Admission, the following persons held Subco B Shares:

- (a) Hermco Property Limited (100 per cent. owned by Peter William Gregory Tom CBE);
- (b) David Jeffreys Williams;
- (c) Anthony John Morris; and
- (d) Kathleen Joy Long.

Anthony Morris and Kathleen Long are the sole shareholders and directors of Tessera. Further details of the Subco Incentive Scheme are set out at paragraph 5 (*Subco Incentive Scheme*) of this Part VI (*Additional Information*).

10.4 **Directors' service agreements**

Each of the Non-executive Directors has entered into a letter of appointment with the Company. With effect from Admission, Peter Tom, as Non-executive Chairman of the Group, will be entitled to receive an initial gross annual fee of £30,000, through his service company Rise Rocks Limited, and David Williams, as Non-executive Director of the Group, will be entitled to receive an initial gross annual fee of £20,000. Non-executive Director fees are payable monthly in arrears, plus the Non-executive Directors shall be entitled to reimbursement of all reasonable and properly documented expenses incurred in performing their duties as directors of the Company.

Further details of the principal terms of the Directors' letters of appointment are set out at paragraph 7 (*Directors' service agreements and entitlements*) of Part V (*Directors, advisory team and Corporate Governance*) of this Document.

10.5 **Strategic Advisory Agreement**

On 20 August 2021, the Company entered into a strategic advisory agreement with Tessera pursuant to which Tessera has agreed to provide strategic and general corporate advice, and acquisition and capital raising transaction support services to the Company. Tessera will be entitled to an initial transaction fee of £50,000 (plus VAT) payable on Admission for transaction management services provided to the Company in connection with Admission and the Placing. These transaction management services include end to end project management of the Admission process, drafting input into key listing documentation, including the Company's marketing materials and this document, negotiation, appointment and management of key Company advisers, as well as construction of the Company's working capital model and drafting of the Company's working capital board memorandum. In addition, Tessera also liaised with Company legal counsel on Admission matters and provided input into the drafting and structuring of the Company's incentivisation plan.

Following Admission, Tessera will provide strategic advisory services and will be paid a fixed monthly retainer of £5,000 (plus VAT) payable monthly in arrears. Tessera are also entitled to participate in the Subco Incentive Scheme, and details of the Subco Incentive Scheme and an explanation of Tessera's participation are set out in paragraph 16 of Part I (*Information on the Company, investment opportunity and strategy*) of this Document. A success fee payable to Tessera may be agreed between the Company and Tessera at the time that an Acquisition is completed, but the payment of any such success fee would be entirely at the discretion of the Directors. If the Directors were to decide to pay a success fee in these circumstances, the fee would be agreed at the time and would vary depending on the nature of the Acquisition, but would likely be in region of 0.5 per cent. of the value of the Acquisition, up to maximum of 1 per cent.

Further details of the agreement with Tessera are set out at paragraph 14.6 (*Strategic Advisory Agreement*) of this Part VI (*Additional Information*). Note that Tessera will be considered a related party as prior to Admission it held more than 10 per cent. of the vote able to be cast at a general meeting of the Company.

11. **WORKING CAPITAL**

The Company is of the opinion that, taking into account the Net Proceeds receivable by the Company, the working capital available to it is sufficient for the Group's present requirements, that is for at least the next 12 months from the date of this Document.

12. **SIGNIFICANT CHANGE**

There has been no significant change in the financial position of the Group since 30 April 2021, the date to which historical financial information has been prepared as set out in Part III (*Financial Information of the Group*) of this Document. There has been no significant change in the financial performance of the Group

since 30 April 2021, the date to which historical financial information has been prepared as set out in Part III (*Financial Information of the Group*) of this Document, to the date of this Document.

13. LEGAL AND ARBITRATION PROCEEDINGS OF THE COMPANY

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had during the 12 months prior to the date of this Document, a significant effect on the Group's financial position or profitability.

14. MATERIAL CONTRACTS

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group since incorporation and which are (or may be) material to the Group, with all fees stated being exclusive of VAT:

14.1 Subco Incentive Scheme

On 14 September 2021, Subco established the Subco Incentive Scheme for certain Directors and advisors to the Company in order to align the interest of the scheme participants directly with those of Shareholders.

On Admission, the following persons were participants in the Subco Incentive Scheme:

- (a) Hermco Property Limited (100 per cent. owned by Peter William Gregory Tom CBE);
- (b) David Jeffreys Williams;
- (c) Anthony John Morris; and
- (d) Kathleen Joy Long.

Anthony Morris and Kathleen Long are the sole shareholders and directors of Tessera. Further details of the Subco Incentive Scheme are set out at paragraph 5 (*Subco Incentive Scheme*) of this Part VI (*Additional Information*).

14.2 Placing Letters

Pursuant to the terms of the Placing Letters, and conditional upon, *inter alia*, Admission occurring and becoming effective by 8 a.m. London time on no later than 30 September 2021, each of the Placees agrees to become a member of the Company and to subscribe for those Placing Shares set out in the respective Placing Letters. To the fullest extent permitted by law, the Placees' obligations under the Placing Letters are irrevocable and are not capable of rescission or termination by the Placees in any circumstance. In the event that Admission does not become effective by 8.00 a.m. London time on no later than 30 September 2021, Placees will receive a full refund of monies subscribed.

The Placing Letters are governed by English law.

14.3 Registrar Services Agreement

Pursuant to an agreement between the Registrar and the Company dated 15 September 2021 ("**Registrar Services Agreement**"), the Registrar has been engaged by the Company to keep the register of members and provide a share registration service. The Registrar Agreement shall continue for a period of three years from the date thereof (the "**Initial Period**") and automatically renew for successive periods of 12 months, unless or until terminated by either party in accordance with its terms. The Registrar Agreement may be terminated by either party at the end of the Initial Period provided written notice is given to the other party at least six months prior to the end of the Initial Period. The Registrar Agreement may be terminated immediately by either party in certain specified circumstances such as insolvency or material breach of the agreement by one party or the other. Either party may terminate the Registrar Agreement on three months' written notice should the parties not reach an agreement regarding any increase on of the fees of the Registrar. The basic fee payable by the Company to the Registrar for creation and maintenance of the share register will be of

£2,500 per annum. In addition, various other fees are also payable including fees on the transfer of any Ordinary Shares.

The agreement is governed by English law.

14.4 **Receiving Agent Services Agreement**

Pursuant to an agreement between the receiving agent and the Company dated 15 September 2021 (“**Receiving Agent Services Agreement**”), Link Market Services Limited, as receiving agent, has been engaged by the Company to provide receiving agency services. The Receiving Agent Services Agreement shall continue until completion of the services, unless or until terminated by either party in accordance with its terms. The Receiving Agent Services Agreement may be terminated immediately by either party in certain specified circumstances such as insolvency or material breach of the agreement by one party or the other. The basic fee payable by the Company to the receiving agent for the receiving agency services will be calculated by reference to the number of DvP messages settled.

The agreement is governed by English law.

14.5 **Warrants**

On 13 September 2021, the Company constituted 70,000,000 Warrants on the terms of an instrument under which the Company issued 30,000,000 Warrants to each of the Existing Shareholders and will issue 40,000,000 Warrants to Placees on Admission. The Warrants are exercisable at any time from the date of completion of the inaugural transaction (an investment or Acquisition) made by the Company where the consideration for such transaction is at least £10 million at a price of £0.10 per Ordinary Share. These Warrants can be exercised through application to the Company. The Warrants will not be listed on the London Stock Exchange or any other publicly traded market.

The above warrant instrument is governed by English law.

14.6 **Strategic Advisory Agreement**

On 20 August 2021, the Company entered into a strategic advisory agreement with Tessera pursuant to which Tessera has agreed to provide strategic and general corporate advice, and acquisition and capital raising transaction support services to the Company. Tessera will be entitled to an initial transaction fee of £50,000 (plus VAT) payable on Admission for transaction management services provided to the Company in connection with Admission and the Placing. These transaction management services include end to end project management of the Admission process, drafting input into key listing documentation, including the Company’s marketing materials and this document, negotiation, appointment and management of key Company advisers, as well as construction of the Company’s working capital model and drafting of the Company’s working capital board memorandum. In addition, Tessera also liaised with Company legal counsel on Admission matters and provided input into the drafting and structuring of the Company’s incentivisation plan. Following Admission, Tessera will provide strategic advisory services and will be paid a fixed monthly retainer of £5,000 (plus VAT) payable monthly in arrears.

The agreement is subject to a minimum period of 12 months and shall terminate at the end of such period upon the giving of written notice by either party to the other. Where such termination is not forthcoming on expiry of the initial 12-month period, the term will continue for a further 12 months, upon such time as another 12-month renewal option will be available to the parties.

The agreement is governed by English law.

Tessera are also entitled to participate in the Subco Incentive Scheme, please see paragraph 10.3 of this Part VI.

- 14.7 A success fee payable to Tessera may be agreed between the Company and Tessera at the time that an Acquisition is completed, but the payment of any such success fee would be entirely at the discretion of the Directors. If the Directors were to decide to pay a success fee in these circumstances,

the fee would be agreed at the time and would vary depending on the nature of the Acquisition, but would likely be in region of 0.5 per cent. of the value of the Acquisition, up to maximum of 1 per cent. By way of an illustrative example, in the event of an Acquisition with a value of £75 million, the Company would have no contractual entitlement to pay a success fee to Tessera, but if the Directors were to elect to do so, the fee could be in the region of £375,000 (being 0.5 per cent. of the value of the Acquisition) and, in the event of an Acquisition with a value of £20 million, the Company would have no contractual entitlement to pay a success fee to Tessera, but if the Directors were to elect to do so, the fee could be in the region of £200,000 (being 1 per cent. of the value of the Acquisition).

15. OTHER INFORMATION

- (a) MacIntyre Hudson LLP, the auditor and reporting accountant of the Company, has given and has not withdrawn its written consent to the inclusion of its reports on the Company in the form set out in Part III (*Financial Information of the Group*) of this Document and to the references to its name in the form and context in which they appear in this Document.
- (b) MacIntyre Hudson LLP was auditor and reporting accountant of the Company for the period covered by the historical financial information set out in Part III (*Financial Information of the Group*) of this Document. MacIntyre Hudson LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.
- (c) Other than the current applications for Admission, the Ordinary Shares are not admitted to dealings on any recognised investment exchange nor has any application for such admission been made nor are there intended to be any other arrangements for dealings in the Ordinary Shares.
- (d) The accounting reference date of the Company is 31 December in each year.
- (e) There are no investments in progress and there are no further investments on which the Directors have already made firm commitments which are significant to the Company.
- (f) The Directors are not aware of any environmental issues which may affect the Company's utilisation of its tangible fixed assets (if any).
- (g) The total expenses incurred (or expected to be incurred) by the Company in connection with the Admission and the Placing amount to approximately £272,125, broken down as follows:
 - Legal, accounting and formation costs: £120,000
 - Listing expenses: £30,125
 - Administrative expenses: £22,000
 - Transaction support fee payable to Tessera: £50,000
 - Contingency £50,000

16. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of this Document and the following documents: the memorandum and articles of association of the Company, all reports, letters and other documents referred to in this Document will be available free of charge from the registered office of the Company during normal office hours, Saturday and Sundays excepted, for 14 days following the Admission of the Ordinary Shares to trading on the Official List and will also be available for inspection on the Company's website: www.baycapitalplc.com.

The date of this Document is 30 September 2021.

PART VII

DEFINITIONS

“Acquisition”	the investment in, or acquisition of a target company by the Company or by any subsidiary thereof of a company or businesses or assets as described in Part I (<i>Information on the Company, investment opportunity and strategy</i>) of this Document (Acquisition or Acquisitions shall be construed to mean either or both a reference to a company and/or a business whether specifically mentioned or not);
“Admission”	the admission of the Ordinary Shares in the Company whether issued or to be issued pursuant to the Placing to the Official List (by way of a standard listing under the Listing Rules) and to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities;
“Articles”	the articles of association of the Company from time to time;
“Board”	the directors of the Company;
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which clearing banks are open for normal business in the City of London and Jersey;
“Companies Law”	the Companies (Jersey) Law 1991 (as amended from time to time);
“Company”	Bay Capital Plc, a public limited company incorporated under the laws of Jersey with registered number 134743 having its registered office at 28 Esplanade, St. Helier, Channel Islands, JE2 3QA, Jersey;
“CREST”	the computerised settlement system operated by Euroclear UK and Ireland Limited which facilitates the transfer of title to shares in uncertificated form;
“CREST Regulations”	the Uncertificated Securities Regulations 2001/3755 (as amended from time to time, including by the Uncertificated Securities (Amendment and EU Exit) Regulations 2019 (SI 2019/679));
“Data Protection Legislation”	any law applicable from time to time relating to the collecting and/or processing of personal data and/or privacy, as in force at the date of this Prospectus or as re-enacted, applied, amended, superseded, repealed or consolidated, including without limitation, the UK Data Protection Act 2018, the UK GDPR, the General Data Protection Regulation (EU) 2016/679 (as the case may be) and the Privacy and Electronic Communications (EC Directive) Regulations 2003 in each case including any legally binding regulations, directions and orders issued from time to time under or in connection with any such law;
“Directors”	the directors of the Company (and each a “Director”);
“Disclosure Guidance and Transparency Rules”	the Disclosure Guidance and Transparency Rules made by the FCA;
“Document” or “Prospectus”	this prospectus;
“Enlarged Share Capital”	the issued share capital of the Company following the Placing and Admission;

“Existing Ordinary Shares”	the 30,000,000 Ordinary Shares in issue immediately preceding the Placing and Admission;
“Existing Shareholders”	the holders of Ordinary Shares as at the date of this document;
“FCA”	the UK Financial Conduct Authority;
“Founders”	David Jeffreys Williams and Tessera Investment Management Limited;
“FSMA”	the Financial Services and Markets Act 2000;
“Fully Diluted Enlarged Share Capital”	the issued share capital of the Company following the Placing and exercise of the Warrants;
“Group”	the Company and its subsidiaries from time to time;
“Group Financial Information”	the audited historical financial information of the Group for the period from incorporation on 31 March 2021 to 30 April 2021;
“ISIN”	the International Securities Identification Number;
“Last Practicable Date”	24 September 2021, being the last Business Day prior to publication of this Document;
“Listing Rules”	the Listing Rules made by the FCA;
“London Stock Exchange” or “LSE”	London Stock Exchange plc;
“Main Market”	the main market of the London Stock Exchange for officially listed securities;
“Market Abuse Regulation”	the UK version of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended;
“Net Proceeds”	the funds received in relation to the Placing prior to the date of this Document less any expenses paid or payable in connection with Admission and the Placing (which have not already been paid out of the approximately £3 million raised out of the issue and allotment of 29,999,980 Ordinary Shares at a price of £0.10 per Ordinary Share prior to Admission);
“Official List”	the Official List of the FCA;
“Ordinary Shares”	the ordinary shares of £0.01 each in the capital of the Company;
“Placee”	a person who confirms his agreement to the Company to subscribe for Placing Shares under the Placing;
“Placing”	the placing of 40,000,000 Placing Shares pursuant to the Placing Letters and conditional on Admission occurring on no later than 30 September 2021;

“Placing Letters”	the placing letters from the Company to potential investors, as amended by a side letter dated 10 September 2021, inviting irrevocable conditional applications for subscription for Placing Shares;
“Placing Price”	£0.10 per Placing Share;
“Placing Shares”	the 40,000,000 new Ordinary Shares in the capital of the Company which have been issued, subject to Admission, and allotted to the Placees, pursuant to the Placing Letters;
“Premium Listing”	a Premium Listing under Chapter 6 of the Listing Rules;
“Prospectus Regulation Rules”	the prospectus regulation rules made by the FCA;
“QCA Code”	the corporate governance code published by The Quoted Companies Alliance as in effect from time to time;
“Registrar”	Link Market Services (Jersey) Limited of 12 Castle Street, St Helier, Jersey, JE2 3RT;
“Reverse Takeover”	a transaction defined as a reverse takeover under Chapter 10 of the Listing Rules;
“Securities Act”	US Securities Act of 1933;
“SEDOL”	Stock Exchange Daily Official List;
“Shareholders”	holders of Ordinary Shares;
“Special Resolution”	means a resolution of the Company passed as a special resolution in accordance with the Companies Law by a majority of two-thirds of the votes cast on that resolution;
“Standard Listing”	a Standard Listing under Chapter 14 of the Listing Rules;
“Strategic Advisor”	Tessera on the terms of the agreement described at paragraph 14.6 of Part VI (<i>Additional Information</i>) of this Document;
“Subco”	Bay Capital Subco Limited, a private limited company incorporated under the laws of Jersey with registered number 134744 having its registered office at 28 Esplanade, St. Helier, Channel Islands, JE2 3QA, Jersey;
“Subco B Shares”	B ordinary shares in Subco as more fully described in paragraph 5 of Part VI (<i>Additional Information</i>) of this Document;
“Subco Incentive Scheme”	the incentive scheme operated by Subco, as more fully described in paragraph 5 of Part VI (<i>Additional Information</i>) of this Document;
“Takeover Code”	The City Code on Takeovers and Mergers;
“Trigger Event”	has the meaning given to it in paragraph 5.1(b) of Part VI (<i>Additional Information</i>) of this Document;
“UK Companies Act”	the Companies Act 2006 of the United Kingdom (as amended from time to time);

"UK GDPR"	the General Data Protection Regulation EU/2016/679 as it forms part of English law pursuant to the European Union Withdrawal Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020);
"UK Prospectus Regulation"	the UK version of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018;
"VAT"	value added tax and/or any similar sales or turnover tax imposed in any jurisdiction; and
"Warrants"	the 70,000,000 warrants to subscribe for Ordinary Shares granted to each of the Existing Shareholders and Placees as more particularly described in paragraph 14.5 of Part VI (<i>Additional Information</i>) of this Document;
"£" or "Pounds Sterling"	Great British Pounds Sterling, the lawful currency of the United Kingdom.

