

THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser authorised under the Financial Services and Markets Act 2000 ("FSMA") if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

This document: (i) has been drawn up as part of a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129, as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 as amended and supplemented, relating to Videndum plc (the "**Company**" or "**Videndum**") and prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority of the United Kingdom ("**FCA**") made under section 73A of FSMA (the "**Prospectus Regulation Rules**"); and (ii) comprises a circular prepared in accordance with the Listing Rules of the FCA made under section 73A of FSMA. This document has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129, as it forms part of UK law by virtue of the European Union (Withdrawal) Act, 2018, as amended and supplemented, in accordance with section 87A of FSMA and made available to the public in accordance with the Prospectus Regulation Rules. The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129, as it forms part of UK law by virtue of the European Union (Withdrawal) Act, 2018, as amended and supplemented and such approval should not be considered as an endorsement of the issuer that is the subject of this document or of the quality of the New Ordinary Shares that are the subject matter of this document. Investors should make their own assessment as to the suitability of investing in the New Ordinary Shares.

If you sell or have sold or otherwise transferred all of your Existing Ordinary Shares before 8:00 a.m. on 21 November 2023, being the date upon which the Existing Ordinary Shares will be marked "ex" the entitlement to the Open Offer, please forward this document together with the accompanying Form of Proxy and, if relevant, Application Form, if and when received, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer is/was effected for delivery to the purchaser or the transferee. However, the distribution of this document, the Application Forms and/or any related documents, and/or the transfer of the Open Offer Entitlements through CREST into jurisdictions other than the UK 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 any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions. In particular, this document, the enclosures and any other such documents should not be distributed, forwarded to or transmitted in or into the United States, Australia, Canada, Switzerland, South Korea, Israel, Singapore, South Africa and Japan, and any other jurisdiction where the extension or availability of the Open Offer (and any other transaction contemplated thereby) would breach any applicable law or regulation (the "**Excluded Territories**"). In such circumstances, if you sell or have sold or otherwise transferred only part of your holding of Existing Ordinary Shares, you should retain any such documents received.

The directors of the Company, whose names appear on page 45 of this document (the "**Directors**"), 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.



VIDENDUM PLC

(incorporated in England and Wales under the Companies Act 2006 with registered number 00227691)

Firm Placing of 28,122,472 New Ordinary Shares at 267 pence per New Ordinary Share

Placing and Open Offer of 18,748,315 New Ordinary Shares at 267 pence per share

Notice of General Meeting

Rothschild & Co

Sponsor and Financial Adviser

Investec

Joint Global Co-ordinator and Bookrunner

Jefferies

Joint Global Co-ordinator and Bookrunner

The Existing Ordinary Shares have been admitted to the premium listing segment of the official list maintained by the FCA pursuant to FSMA (the "**Official List**") and to trading on the main market for listed securities of the London Stock Exchange. Application will be made to the FCA for the New Ordinary Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities ("**Admission**"). It is expected that Admission will become effective, and dealings in the New Ordinary Shares on the London Stock Exchange's main market for listed securities will commence, at 8:00 a.m. on 8 December 2023.

You should read the whole of this document, including the information incorporated by reference into this document and any accompanying document. Your attention is drawn to the letter from the Chair of Videndum, which is set out in Part V (*Letter from the Chair of Videndum plc*) of this document and which contains a recommendation from the Board that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below. Your attention is also drawn to the Risk Factors set out on pages 12 to 38 of this document and which include a discussion of certain risks and uncertainties that should be taken into account when considering the matters referred to in this document.

A Notice of a General Meeting of the Company, to be held at 41 Portland Place, London, W1B 1QH is set out at the end of this document. You are asked to complete and return the enclosed Form of Proxy in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received by the Company's registrar, Equiniti Limited, by not later than 10:30 a.m. on 5 December 2023 (or, in the event of any adjournment, so as to arrive no later than 48 hours, excluding non-working days, before the time fixed for the holding of the adjourned meeting). Alternatively, a proxy may be appointed electronically at www.sharevote.co.uk by the same time and date. You will need your Voting ID, Task ID and Shareholder Reference Number (these can be found on your Form of Proxy). You are encouraged to appoint the chair of the General Meeting as your proxy for the General Meeting. If you are a member of CREST you may be able to use the CREST electronic proxy appointment service. Proxies sent electronically must be sent as soon as possible and, in any event, so as to be received by not later than 10:30 a.m. on 5 December 2023 (or, in the event of any adjournment, so as to arrive no later than 48 hours, excluding non-working days, before the time fixed for the holding of the adjourned meeting).

The latest time and date for acceptance and payment in full under the Open Offer is expected to be 11:00 a.m. on 6 December 2023. The procedures for delivery, acceptance and payment are set out in Part VII (*Terms and Conditions of the Capital Raising*) of this document and, where relevant, in the Application Form. Qualifying CREST Shareholders (who will not receive an Application Form) will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlements which is expected to be enabled for settlement on 22 November 2023.

Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim arising out of a sale or transfer of Ordinary Shares prior to the date on which the Ordinary Shares were marked "ex" the entitlement by the London Stock Exchange. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer. The Application Form is personal to Qualifying Shareholders and cannot be transferred, sold, or assigned except to satisfy bona fide market claims. Holdings of Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer. No statement in this document or incorporated by reference into this document is intended as a profit forecast or profit estimate for any period and no statement in this document or incorporated by reference into this document should be interpreted to mean that the earnings or earnings per share will necessarily be greater or lesser than those for the relevant preceding financial periods for the Company.

Investors should only rely on the information contained in this document and contained in any documents incorporated into this document by reference. No person has been authorised to give any information or make any representations other than those contained in this document and any document incorporated by reference and, if given or made, such information or representation must not be relied upon as having been so authorised by the Company, the Company's Board, Rothschild & Co or the Joint Bookrunners.

The release, publication or distribution of this document in jurisdictions other than the UK may be restricted by law and, therefore, any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about, and observe, any applicable requirements. Failure to comply with any such restrictions may constitute a violation of the securities laws of any jurisdiction. This document has been prepared to comply with requirements of English law, the Listing Rules, the Prospectus Regulation Rules, the Prospectus Regulation and the Rules of the London Stock Exchange and information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside England.

N.M. Rothschild & Sons Limited ("**Rothschild & Co**" or the "**Sponsor**") is authorised and regulated in the United Kingdom by the FCA. Rothschild & Co is acting exclusively for Videndum as sponsor and lead financial adviser and no one else in connection with the contents of this document, Admission or any other matter or arrangement referred to in this document, and will not regard any other person (whether or not a recipient of this document) as a client in relation to Admission or any other matter or arrangement referred to in this document and will not be responsible to anyone other than Videndum for providing the protections afforded to clients of Rothschild & Co, nor for providing advice in relation to the contents of this document, Admission or any other matter or arrangement referred to in this document.

Investec Bank plc ("**Investec**") is authorised in the United Kingdom by the Prudential Regulation Authority (the "**PRA**") and regulated by the FCA and PRA. Jefferies International Limited ("**Jefferies**", and together with Investec, the "**Joint Global Coordinators**") and the "**Joint Bookrunners**") is authorised and regulated in the United Kingdom by the FCA. The Joint Bookrunners are each acting exclusively for Videndum and are acting for no one else in connection with the Capital Raising and will not regard any other person as a client in relation to the Capital Raising and will not be responsible to anyone other than Videndum for providing the protections afforded to their respective clients or clients of their respective affiliates, nor for providing advice in connection with the Capital Raising or any other matter, transaction or arrangement referred to in this document.

The Sponsor and each of the Joint Bookrunners has given and not withdrawn their consent to the issue of this document with the inclusion of the reference to their respective names in the form and context in which they are included. Apart from the responsibilities and liabilities, if any, which may be imposed on each of Investec, Jefferies and Rothschild & Co by FSMA or the regulatory regime established thereunder, neither the Sponsor nor any of the Joint Bookrunners nor any of their respective subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person for the contents of this document, including its accuracy, correctness or for any other statement made or purported to be made by it, or on its behalf in connection with Videndum, the Capital Raising and any other matters referred to in this document and nothing in this document will be relied upon as a promise or representation in this respect, whether or not to the past or future. Save for the aforementioned responsibilities and liabilities, if any, which may be imposed under FSMA, the Sponsor, each of the Joint Bookrunners, their respective subsidiaries, branches and affiliates accordingly disclaim all and any responsibility or liability, whether arising in tort, contract or otherwise which it might otherwise be found to have in respect of this document or any other statement.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Sponsor or the Joint Bookrunners by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither the Sponsor nor any of the Joint Bookrunners, nor any of their respective affiliates, directors, officers, employees or advisers, accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to contents of this document, including its accuracy, completeness or verification, or regarding the legality of any investment in the New Ordinary Shares by any person under the laws applicable to such person, or for any other statement made or purported to be made by the Company or on the Company's behalf, in connection with Videndum, the New Ordinary Shares or the Capital Raising or Admission, and nothing in this document is, or shall be relied upon as, a promise or representation in this respect, whether as to the past, present or future. To the fullest extent permitted by law, the Sponsor, each of the Joint Bookrunners and their respective affiliates, directors, officers, employees and advisers accordingly disclaim all and any duty, liability or responsibility whatsoever (whether direct or indirect and whether arising in contract, in tort, under statute or otherwise) which they might otherwise have in respect of this document or any such statement.

In connection with the Capital Raising, the Joint Bookrunners and any of their respective affiliates may, in accordance with applicable legal and regulatory provisions, purchase, sell, offer to sell or otherwise deal for their own account in the securities of the Company and related or other securities and instruments (including New Ordinary Shares) and may offer or sell such securities other than in connection with the Capital Raising. Accordingly, references in this document to New Ordinary Shares being offered should be read as including any offering of New Ordinary Shares to any of the Joint Bookrunners or any of their respective affiliates acting in such capacity. In addition, in the event that the Joint Bookrunners subscribe for New Ordinary Shares which are not taken up by Qualifying Shareholders or Placees, the Joint Bookrunners may co-ordinate disposals of such shares in accordance with applicable law and regulation. Except as required by applicable law or regulation, the Joint Bookrunners do not propose to make any public disclosure in relation to such transactions.

NOTICE TO OVERSEAS SHAREHOLDERS

This document does not constitute an offer of, or a solicitation to subscribe for or purchase, any securities in any jurisdiction in which such offer or solicitation is unlawful or to any person to whom it is unlawful to make such offer or solicitation. The Application Form and the New Ordinary Shares have not been, and will not be, registered or qualified for distribution to the public under the relevant laws of any Excluded Territory and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, in or into any Excluded Territory, except pursuant to an applicable exemption. Videndum and the Joint Bookrunners do not make any representation to any offeree, subscriber or acquirer of the New Ordinary Shares regarding the legality of an investment in the New Ordinary Shares by such offeree, subscriber or acquirer under the laws applicable to such offeree, subscriber or acquirer. Each investor should consult with his or its own advisers as to the legal, tax, business, financial and related aspects of an investment in the New Ordinary Shares.

EXCEPT AS OTHERWISE PROVIDED FOR HEREIN, NEITHER THE APPLICATION FORM NOR THIS DOCUMENT CONSTITUTES AN OFFER OF NEW ORDINARY SHARES TO ANY PERSON WITH A REGISTERED ADDRESS, OR WHO IS LOCATED OR RESIDENT IN ANY EXCLUDED TERRITORY.

NOTICE TO US SHAREHOLDERS

The New Ordinary Shares and the Open Offer Entitlements have not been, and will not be, registered under the US Securities Act, or under any securities laws of any state or other jurisdiction of the United States and may not be, at any time, offered, sold, taken up, pledged, exercised, resold, renounced, transferred or delivered, directly or indirectly, in or into the United States, as defined in Regulation S under the US Securities Act, except pursuant to an applicable exemption from, or in a transaction not subject to, the

registration requirements of the US Securities Act and in compliance with any applicable securities laws in any state or other jurisdiction of the United States. There will be no public offer of New Ordinary Shares or Open Offer Entitlements in the United States. The New Ordinary Shares, the Open Offer Entitlements, this document and the Application Form have not been recommended, approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon the adequacy or accuracy of this document or the Application Form. Any representation to the contrary is a criminal offence in the United States.

Subject to certain limited exceptions, neither this document nor the Application Form constitutes, or will constitute, or forms part of any offer or invitation to sell, issue or apply for, or any solicitation of any offer to purchase, subscribe for, or take up entitlements to the New Ordinary Shares to any person with a registered address in, or who is resident or located in, the United States.

The New Ordinary Shares and Open Offer Entitlements are only being offered and sold (a) outside the United States in reliance on Regulation S and (b) subject to certain limited exceptions in the United States solely by the Company and exclusively to certain qualified institutional buyers as defined in Rule 144A of the US Securities Act (“QIBs”), in reliance on the exemption from registration provided for private placements by Section 4(a)(2) of the US Securities Act or pursuant to another applicable exemption.

Subject to certain limited exceptions, in reliance on the exemption from registration provided for private placements by Section 4(a)(2) of the US Securities Act or pursuant to another applicable exemption, every acquirer of New Ordinary Shares in the United States will be required to represent, warrant and agree that they are a QIB, and to execute a statement addressed to the Company, in accordance with the form available from the Company.

Any person in the United States who obtains a copy of this document or an Application Form and who is not a Permitted US Shareholder is required to disregard them. Permitted US Shareholders that satisfy the Company as to their status may exercise the Open Offer Entitlements by delivering a properly completed Application Form to the Company in accordance with the procedures set by the Company. Permitted US Shareholders must also complete, execute and return to the Company, an Investor Representation Letter as described in Section 8.4 of Part VII (*Terms and Conditions of the Capital Raising*) and Permitted US Shareholders may be required to make certain certifications in the Application Form for the Open Offer Entitlements.

Until 40 days after the commencement of the Capital Raising, an offer, sale or transfer of the New Ordinary Shares within the United States by a dealer (whether or not participating in the Capital Raising) may violate the registration requirements of the US Securities Act.

Any person in the United States who obtains a copy of this document and/or the Application Form and who is not a Permitted US Shareholder is required to disregard it.

NOTICE TO ALL INVESTORS

Any reproduction or distribution of this document or the Application Form, in whole or in part, and any disclosure of its contents or use of any information contained in this document for any purpose other than considering an investment in the New Ordinary Shares and/or the Open Offer Entitlements through CREST or otherwise is prohibited. By accepting delivery of this document, each offeree of the New Ordinary Shares agrees to the foregoing. The distribution of this document and/or the Application Form and/or the transfer of the New Ordinary Shares into jurisdictions other than the United Kingdom may be restricted by law. Persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws or regulations of such jurisdictions. In particular, subject to certain limited exceptions, such documents should not be distributed, forwarded to or transmitted in or into any of the Excluded Territories. The New Ordinary Shares are not transferable, except in accordance with, and the distribution of the Application Form and this document are subject to, the restrictions set out in section 7 (*Overseas Shareholders*) of Part VII (*Terms and Conditions of the Capital Raising*). No action has been taken by the Company or by the Joint Bookrunners that would permit an offer of the New Ordinary Shares or rights thereto or possession or distribution of the Application Form or this document or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than in the United Kingdom.

The contents of this document are not to be construed as legal, business or tax advice. Each prospective investor should consult their own legal, financial or tax adviser for legal, financial or tax advice. In making an investment decision, each investor must carry out their own examination, analysis and enquiry of the Company and the terms of the Capital Raising, including the merits and risks involved.

None of Videndum, the Sponsor or the Joint Bookrunners, nor any of their respective affiliates, directors, officers, employees or advisers, is making any representation to any offeree, subscriber or acquirer of the New Ordinary Shares regarding the legality of an investment in the New Ordinary Shares by such offeree, subscriber or acquirer under the law applicable to such offeree, subscriber or acquirer. Each investor should consult with his or its own advisers as to the legal, tax, business, financial and related aspects of an investment in the New Ordinary Shares.

The investors also acknowledge that: (i) they have not relied on the Sponsor or the Joint Bookrunners or any person affiliated with the Sponsor or the Joint Bookrunners in connection with any investigation of the accuracy of any information contained in this document or their investment decision; (ii) they have relied only on the information contained in this document and (iii) no person has been authorised to give any information or to make any representation concerning the Company or its subsidiaries or the New Ordinary Shares or the Capital Raising (other than as contained in this document) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company, the Sponsor or the Joint Bookrunners.

NOTICE TO DISTRIBUTORS

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that the New Ordinary Shares are: (a) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (b) eligible for distribution through all permitted distribution channels (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, “distributors” (for the purposes of the UK Product Governance Requirements) should note that: the price of the New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the offer of New Ordinary Shares. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (i) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A, respectively, of the FCA Handbook Conduct of Business Sourcebook; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to, the New Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.

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

Without limitation, the contents of the Group's websites (other than the information as set out in Part XIV (*Documents incorporated by reference*)) do not form part of this document.

Capitalised terms have the meanings ascribed to them in the schedule to this document entitled “**Definitions**”.

The date of this document is 21 November 2023.

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SUMMARY

1. INTRODUCTION AND WARNINGS

1.1 Details of the issuer

The issuer is Videndum plc, a public limited company incorporated in England and Wales with registered number 00227691. The Company's registered office is at Bridge House, Heron Square, Richmond, United Kingdom, TW9 1EN. Its telephone number is +44 (0)20 8332 4600 and the legal entity identifier of the Company is 2138007H5DQ4X8YOCF14.

1.2 Details of the securities

On Admission, the New Ordinary Shares will be registered with an ISIN of GB0009296665 and a SEDOL of 0929666. The ISIN for the Open Offer Entitlements will be GB00BQHPT807 and the SEDOL will be BQHPT80. The New Ordinary Shares will be traded on the main market for listed securities of the London Stock Exchange under the ticker symbol "VID".

1.3 Details of the FCA

The head office of the FCA is at 12 Endeavour Square, London, E20 1JN. The telephone number of the FCA is +44 (0)20 7066 1000. This document was approved by the FCA on 21 November 2023.

1.4 Warnings

This summary has been prepared in accordance with Article 7 of the Prospectus Regulation and should be read as an introduction to this document. Any decision to invest in the New Ordinary Shares should be based on a consideration of this document as a whole by the investor. Any investor could lose all or part of their invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document, or where it does not provide, when read together with the other parts of this document, key information in order to aid in considering whether to invest in the New Ordinary Shares.

2. KEY INFORMATION ON THE ISSUER

2.1 Who is the issuer of the securities?

The Company is a public limited company, incorporated and domiciled in England and Wales with registered number 00227691 and with its registered office in England. The principal legislation under which the Company operates is the Companies Act, and the legal entity identifier of the Company is 2138007H5DQ4X8YOCF14.

(A) Principal activity

Videndum is a leading global provider of premium branded hardware products and software solutions to the content creation accessory market. Videndum's customers include broadcasters, film studios, production and rental companies, photographers, Independent Content Creators ("ICCs"), professional musicians, governments and enterprises. Videndum's product portfolio includes camera supports (tripods and heads), video transmission systems and monitors, live streaming solutions, smartphone accessories, robotic camera systems, prompters, LED lighting, mobile power, carrying solutions, backgrounds, motion control, audio capture, and noise reduction equipment. Videndum is organised in three divisions: Videndum Media Solutions, Videndum Production Solutions and Videndum Creative Solutions. The Group had continuing operations revenue of £165.0 million and Net Debt of £216.1 million from continuing operations for the half year ended 30 June 2023. As at 30 June 2023, the Group employs approximately 1,700 people across the world in 10 different countries. Videndum is admitted to trading on the Main Market of the London Stock Exchange, ticker: "VID".

(B) Major shareholders

As at the Latest Practicable Date, the Company had been notified in accordance with Rule 5 of the Disclosure Guidance and Transparency Rules of the following interests in its Existing Ordinary Shares:

<u>Name of shareholder</u>	<u>Percentage of total voting rights</u>
Alantra EQMC Asset Management	21.14%
Aberforth Partners ⁽¹⁾	14.22%
Royal London Asset Management	7.78%
Brown Capital Management	4.86%
Gidema SPA	3.70%
Janus Henderson Investors	3.60%
Invesco	3.02%
Schroder Investment Management	3.00%

(1) Includes voting rights controlled by The Wellcome Trust (4.68% as at the Latest Practicable Date). Aberforth Partners only controls (or has the right to control) the votes attaching to 9.54% of the Existing Ordinary Shares.

(C) Key managing directors

The executive directors are Stephen Bird (Group Chief Executive) and Andrea Rigamonti (Group Chief Financial Officer).

(D) Statutory auditor

Deloitte LLP is the statutory auditor of the Company and is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales. Its business address is 1 New Street Square, London EC4A 3HQ. The Group announced in its 2023 Half Year Results that it will appoint PricewaterhouseCoopers LLP as the Company's independent auditor for the financial year ending 31 December 2024, subject to approval by shareholders at the Company's next annual general meeting, to be held in 2024.

2.2 What is the key financial information regarding the issuer?

(A) Selected historical key financial information

The tables below set out selected key financial information for the Group for the financial year ended 31 December 2022 and the six months ended 30 June 2023. The financial information for the six months ended 30 June 2023 presented below and throughout the Prospectus is unaudited and extracted from the 2023 Half Year Results. The financial information relating to the income statement throughout this Prospectus relating to the year ended 31 December 2022 has been restated to present discontinued operations separately from the continuing operations as extracted from the 2023 Half Year Results. The financial information relating to the balance sheet and cash flow statements for the year ended 31 December 2022 have been extracted from the audited consolidated financial statements for the Group for the financial year ended 31 December 2022.

The historical and other financial information presented in this document has been extracted from the Historical Financial Information incorporated by reference and as set out in Part XIV (*Documents incorporated by reference*).

Summary consolidated income statement

<u>£m</u>	<u>Six months ended 30 June 2023 (unaudited)</u>	<u>Year ended 31 December 2022 (restated)</u>
Continuing operations		
Revenue	165.0	442.5
Cost of sales	(96.9)	(251.8)
Other Income	0.4	—
Gross profit	68.5	190.7
Operating expenses	(59.9)	(143.8)
Operating profit	8.6	46.9

<u>£m</u>	Six months ended 30 June 2023 (unaudited)	Year ended 31 December 2022 (restated)
Comprising		
– Adjusted operating profit	15.2	64.2
– Adjusting items in operating profit	(6.6)	(17.3)
Finance Income	2.7	3.0
Finance Expense	(8.2)	(9.8)
Net finance expense	(5.5)	(6.8)
Profit before tax	3.1	40.1
Comprising		
– Adjusted profit before tax	10.1	58.2
– Adjusting items in profit before tax	(7.0)	(18.1)
Taxation	(0.7)	5.3
Comprising taxation on		
– Taxation on adjusted profit	(2.4)	(15.0)
– Adjusting items in taxation	1.7	20.3
Profit for the period from continuing operations	2.4	45.4
Loss for the period from discontinued operations	(48.9)	(12.5)
(Loss)/Profit for the period attributable to owners of the parent . .	(46.5)	32.9

Summary consolidated balance sheet

<u>£m</u>	As at 30 June 2023 (unaudited)	As at 31 December 2022
Non-current assets	276.1	353.8
Current assets	204.9	198.4
Total assets	481.0	552.2
Current liabilities	120.6	146.4
Non-current liabilities	204.8	182.1
Total liabilities	325.4	328.5
Net assets	155.6	223.7

Summary consolidated cash flow statement

<u>£m</u>	Six months ended 30 June 2023 ¹ (unaudited)	Year ended 31 December 2022
Cash generated from operating activities	11.5	65.3
Interest paid	(6.2)	(9.4)
Taxation paid	(4.8)	(7.2)
Net cash inflow from operating activities	0.5	48.7
Net cash outflow from investing activities	(11.0)	(53.4)
Net cash inflow from financing activities	7.4	10.7
(Decrease) / increase in cash and cash equivalents	(3.1)	6.0
Cash and cash equivalents at 1 January	15.8	7.9
Exchange gains on cash and cash equivalents	0.9	1.9
Cash and cash equivalents at period end	13.6	15.8

- (B) The following table sets out the unaudited pro forma statement which has been prepared to show the effect of the Capital Raising on the Group's net assets as at 30 June 2023 as if the Capital Raising had been undertaken at that date.

Unaudited pro forma financial information

	Group as at 30 June 2023	Adjustment for the Total Capital Raising	Pro forma net assets of the Group
	Note 1 £ million	Note 2 £ million	£ million
Total non-current assets	276.1		276.1
Total current assets	204.9		240.9
Total assets	481.0		481.0
Total current liabilities	120.6	(30.7)	89.9
Total non-current liabilities	204.8	(87.2)	117.6
Total liabilities	325.4	(117.9)	207.5
Net assets	155.6	117.9	273.5

- (1) The net assets of the Group as at 30 June 2023 have been extracted without material adjustment from the unaudited consolidated financial statements as of and for the six months ended 30 June 2023, incorporated by reference into this document as detailed in Part XIV (*Documents Incorporated by Reference*).
- (2) The adjustment for the Total Capital Raising of £117.9 million reflects gross proceeds of £125.1 million from the Capital Raising and £1.2 million from the Director and Senior Management Subscriptions net of estimated expenses of approximately £8.4 million (excluding VAT). US\$55 million (£44.2 million) in net proceeds is currently intended to fund the full repayment and cancellation of the Group's outstanding term loans, following which the remaining £73.7 million in net proceeds is intended to be used to repay drawings under the Group's Revolving Credit Facility. An adjustment has been included accordingly.

- (C) There has been no significant change in the financial position or financial performance of the Group in the period since 30 June 2023 to the date of publication of this document, save for the impact of the US Writers' and Actors' Strikes, as described in section 1.2 of Part I (Risk Factors), paragraph 4 of Part V (Letter from the Chair of Videndum plc) and section 2 of Part VIII (Business And Market Overview).

- (D) The independent auditor's interim review report with respect to the condensed financial statements for the six months ended 30 June 2023 detailed in the 2023 Half Year Results draws attention to Note 1 in such condensed set of financial statements, which indicates that there is a plausible downside scenario considered by the Board, which would result in both the covenants being breached in one of the next couple of test dates and whereby liquidity drops to £nil in July 2024. Although the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification, as defined below), the key judgment surrounding the material uncertainty is the length of time it will take to recover from the US Writers' and Actors' Strikes, in addition to the recovery from the broader macroeconomic challenges faced by the Group. These conditions alongside other matters explained in Note 1 to the condensed financial statements for the six months ended 30 June 2023, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The independent auditor's interim review opinion is not modified in respect of this matter.

2.3 What are the key risks that are specific to the issuer?

The Group has significant borrowings and debt service obligations. If the Resolutions are not passed and the Capital Raising does not proceed, such borrowings and debt service obligations could give rise to covenant breaches and liquidity shortfalls, and, as a result, adversely affect its business, financial condition, results of operations and prospects.

The US Writers' and Actors' Strikes have had a material adverse effect on the Group. Although the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification, as defined below), the Group's rate of recovery from such US Writers' and Actors' Strikes is not yet known or may be slower than anticipated.

The performance of the Group's business is directly linked to general economic conditions and world geopolitical conditions, which may adversely affect the Group's business, financial condition, results of operations and prospects.

The Group is dependent on its key suppliers and the loss of key suppliers or a disruption to the Group's external supply chains operated by its key suppliers could affect the Group's ability to source raw materials and key components and meet the demands of customers.

The Group is dependent on its key customers and the loss of key customers or reduction in demand by such key customers for Videndum's products could materially affect the Group's business.

The Group may be subject to information technology systems failures, network disruptions and breaches of cyber security. A cyber incident could occur and result in information theft, loss of data, data corruption, operational disruption or reputational damage and/or financial loss, each of which could have material adverse effects on the Group's business, financial condition, results of operations and prospects.

The Group depends on the recruitment and retention of qualified personnel, and its failure to attract and retain such personnel could reduce the Group's ability to deliver its strategy.

If the Group is not able to continue to develop innovative new products or fails to understand customer preferences and/or fails to adapt to technological change, its customers may turn to other producers in order to meet their evolving requirements.

Corporate strategic or restructuring projects and cost saving actions may not be successful or may take longer and be more expensive than anticipated.

The Group is subject to risks associated with disposals and the separation of these businesses with those retained by the Group.

The Group is subject to risks associated with acquisitions and the integration of these businesses with the Group's business.

3. KEY INFORMATION ON THE SECURITIES

3.1 What are the main features of the securities?

(A) Type, class and ISIN of the securities

The New Ordinary Shares will be fully paid ordinary shares with a nominal value of 20 pence each in the capital of the Company traded on the main market for listed securities of the London Stock Exchange under the ticker symbol "VID". On Admission, the New Ordinary Shares will be registered with an ISIN of GB0009296665 and a SEDOL of 0929666. The ISIN for the Open Offer Entitlements will be GB00BQHPT807 and the SEDOL will be BQHPT80.

(B) Currency of the securities

The New Ordinary Shares are, and on Admission will be, denominated in pounds sterling.

(C) Number of issued and fully paid securities

As at the Latest Practicable Date, Videndum's issued capital was 46,870,787 ordinary shares in issue of 20 pence each and there are no shares held in treasury, therefore, the total number of shares with voting rights in Videndum is 46,870,787 ordinary shares of 20 pence, each share carrying one vote. Pursuant to the Firm Placing and Placing and Open Offer, the Company will issue in aggregate 46,870,787 New Ordinary Shares of which 18,748,315 New Ordinary Shares are proposed to be issued under the Placing and Open Offer, in each case at 267 pence per New Ordinary Share.

(D) Rights attaching to the securities

All New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions made, paid or declared after the date of issue of the New Ordinary Shares. On a show of hands at general meetings of the Company, every Shareholder who is present in person and every person holding a valid proxy shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote per New Ordinary Share.

(E) Description of restrictions on free transferability of the securities

The New Ordinary Shares are freely transferable and there are no restrictions on transfer of the New Ordinary Shares in the United Kingdom.

(F) Rank of securities in the Company's capital structure in the event of insolvency

The New Ordinary Shares do not carry any rights to participate in a distribution of capital (including on a winding-up) other than those that exist as a matter of law. The New Ordinary Shares and the Existing Ordinary Shares will rank *pari passu* in all respects. There are no other securities of the Company in issue as at the Latest Practicable Date other than Ordinary Shares referred to in paragraph (C) above.

(G) Dividend policy

Reflecting the impact that the US Writers' and Actors' Strikes and the challenging macroeconomic conditions have had on the financial performance of the Group and its Leverage, Videndum did not declare a dividend at its 2023 Half Year Results. The Board recognises the importance of dividends to the Group's shareholders and intends to resume payment of a progressive and sustainable dividend when it is appropriate to do so.

3.2 Where will the securities be traded?

Application will be made to the FCA for the New Ordinary Shares to be admitted to the premium listing segment of the Official List of the FCA, and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. No application has been made or is currently intended to be made for New Ordinary Shares to be admitted to listing or trading on any other exchange. It is expected that Admission of the New Ordinary Shares will become effective, and dealings in the New Ordinary Shares on the London Stock Exchange's main market for listed securities will commence, at 8:00 a.m. on 8 December 2023.

3.3 What are the key risks that are specific to the securities?

The market price of the New Ordinary Shares could be subject to volatility.

Following the issue of the New Ordinary Shares to be allotted pursuant to the Capital Raising and the Director and Senior Management Subscriptions, Shareholders not participating in the Firm Placing will experience dilution in their ownership of Videndum.

The market price for the New Ordinary Shares may decline below the Offer Price and Shareholders may not be able to sell New Ordinary Shares at a favourable price after the Capital Raising.

The Company's ability to pay dividends to Shareholders is currently restricted and the making of any such payments in the future is not guaranteed.

4. KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND THE ADMISSION TO TRADING ON A REGULATED MARKET

4.1 Under which conditions and timetable can I invest in this security?

Firm Placing: The Company is seeking to raise approximately £75 million (gross) through the Firm Placing of 28,122,472 New Ordinary Shares at the Offer Price to the Firm Placees. The Firm Placing is not subject to clawback. The Firm Placing is subject to the same conditions and termination rights which apply to the Placing and Open Offer.

Open Offer: The Company is seeking to raise approximately £50 million (gross) through the Placing and Open Offer of 18,748,315 New Ordinary Shares at the Offer Price. Subject to the fulfilment of the conditions below, Qualifying Shareholders are being given the opportunity to subscribe for New Ordinary Shares pro rata to their existing shareholdings on the basis of 2 New Ordinary Shares at 267 pence each for every 5 Existing Ordinary Shares held by them and registered in their names at the Record Date.

Fractions of Open Offer Shares will not be allotted and each Qualifying Shareholder's Open Offer Entitlements will be rounded down to the nearest whole number. The fractional entitlements will be aggregated and sold for the benefit of the Company under the Placing.

Placing: Any New Ordinary Shares which are not applied for under the Open Offer will be allocated to Conditional Placees pursuant to the Placing. The Capital Raising is conditional on the Resolutions having been passed by Shareholders at the General Meeting, Admission becoming effective by not later than 8:00 a.m. on 8 December 2023 or such later time and/or date as the

Company and the Joint Bookrunners may agree and the Placing Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been rescinded or terminated in accordance with its terms prior to Admission. If any of the conditions are not satisfied or, if applicable, waived, then the Capital Raising will not take place.

Director and Senior Management Subscriptions: The Company will also raise proceeds of approximately £1.2 million (gross) by way of Director and Senior Management Subscriptions of 459,167 New Ordinary Shares at the Offer Price.

The Offer Price represents a discount of 3.3% to the Closing Price of 276 pence per Existing Ordinary Share on 20 November 2023 (being the last Business Day before the publication of this document).

If a Qualifying Shareholder who is not a Placee does not take up any of their Open Offer Entitlements, such Qualifying Shareholder's proportionate ownership and voting interests in the Company will be diluted by 50% as a result of the Capital Raising and the Director and Senior Management Subscriptions (assuming no Ordinary Shares are issued due to the vesting or exercise of any awards under any of the Company's Share Plans between the Latest Practicable Date and the completion of the Capital Raising).

If a Qualifying Shareholder who is not a Placee takes up their Open Offer Entitlements in full, such Qualifying Shareholder's proportionate ownership and voting interests in the Company will be diluted by 30% as a result of the Firm Placing and the Director and Senior Management Subscriptions (assuming no Ordinary Shares are issued due to the vesting or exercise of any awards under any of the Company's Share Plans between the Latest Practicable Date and the completion of the Capital Raising).

The total estimated costs and expenses of the Capital Raising are £8.4 million (exclusive of VAT). Shareholders will not be charged expenses by the Company in respect of the Capital Raising.

4.2 Why is this prospectus being produced?

This document has been prepared in connection with the Capital Raising to be undertaken by the Company. The principal purpose of the Capital Raising is to repay indebtedness and improve the Company's capital position. Pursuant to the Capital Raising, the Company proposes to issue 46,870,787 New Ordinary Shares. Through the issue of New Ordinary Shares, the Company expects to raise gross proceeds of approximately £125 million. The aggregate expenses of, or incidental to, the Capital Raising to be borne by the Company are estimated to be approximately £8.4 million (excluding VAT). Accordingly, the net proceeds are expected to be approximately £116.7 million (after deduction of estimated commissions, fees, expenses and excluding VAT). The Capital Raising is being fully underwritten by the Joint Bookrunners, subject to the conditions set out in the Placing Agreement.

US\$55 million in net proceeds is intended to fund the repayment and cancellation of the Group's outstanding term loans, which relate to the acquisitions of Savage and Audix, which as at the Latest Practicable Date had an outstanding balance of US\$55 million (£44.2 million), following which £72.5 million in net proceeds is intended to be utilised to repay drawings under the Group's Revolving Credit Facility. The Group will continue to prioritise reducing Leverage to its previous targeted range to be below 1.5x whilst also seeking to execute its strategy and maintain investment in its key strategic initiatives to drive organic growth. There are no material conflicts of interest pertaining to Admission.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates in the table below is indicative only and may be subject to change. Please read the notes to the timetable set out below.

Record Date for Open Offer Entitlements	6.00 p.m. on 17 November 2023
Announcement of the Capital Raising	20 November 2023
Ex-Entitlements Date for the Open Offer	8.00 a.m. on 21 November 2023
Publication of this document	21 November 2023
Posting of this document, Application Forms (to Qualifying Non-Crest Shareholders only) and the Form of Proxy	21 November 2023
Open Offer Entitlements credited to stock accounts in CREST (Qualifying CREST Shareholders only)	as soon as practicable after 8.00 a.m. on 22 November 2023
Recommended latest time for requesting withdrawal of Open Offer Entitlements from CREST (i.e. if your Open Offer Entitlements are in CREST and you wish to convert them to certificated form)	4.30 p.m. on 30 November 2023
Latest time for depositing Open Offer Entitlements into CREST (i.e. if your Open Offer Entitlements are represented by an Application Form and you wish to convert them to uncertificated form)	3.00 p.m. on 1 December 2023
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 4 December 2023
Latest time and date for receipt of Forms of Proxy	10.30 a.m. on 5 December 2023
Latest time and date for receipt of completed Application Forms and payments in full and settlement of CREST instructions (as appropriate)	11.00 a.m. on 6 December 2023
General Meeting	10.30 a.m. on 7 December 2023
Announcement of the results of the Capital Raising and General Meeting	7 December 2023
Admission and dealings of the New Ordinary Shares, fully paid, commence on the London Stock Exchange	8.00 a.m. on 8 December 2023
New Ordinary Shares credited to stock accounts in CREST (Qualifying CREST Shareholders only)	as soon as possible after 8.00 a.m. on 8 December 2023
Expected date for despatch of definitive share certificates for the New Ordinary Shares in certificated form	by no later than 22 December 2023

Notes:

1. The ability to participate in the Capital Raising is subject to certain restrictions relating to Overseas Shareholders, details of which are set out in Part VII (*Terms and Conditions of the Capital Raising*) of this document.
2. These times and dates and those mentioned throughout this document are indicative only and may be adjusted by the Company, in which event details of the new times and dates will be notified to the FCA, the London Stock Exchange and, where appropriate, Qualifying Shareholders.
3. References to times in this timetable are to London time, unless otherwise stated.

PART I RISK FACTORS

Any investment in the New Ordinary Shares is subject to a number of risks and uncertainties. Accordingly, prior to any such investment in the New Ordinary Shares, prospective investors should carefully consider the risks and uncertainties associated with any such investment, the Group's business and the industry in which it operates, together with all other information contained in this document, including, in particular, the risk factors described below.

Prospective investors should note that the risks and uncertainties 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 New Ordinary Shares. However, as the risks and uncertainties which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks and uncertainties summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

The following is not an exhaustive list or explanation of all risks which prospective investors may face when making an investment in the New Ordinary Shares and should be used as guidance only. Additional risks and uncertainties relating to the Group that are not currently known to the Group, or that the Directors currently deem immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, financial condition, results of operations and prospects and, if any such risk should materialise, the price of the New Ordinary Shares may decline and investors could lose all or part of their investment. Prospective investors should consider carefully whether an investment in the New Ordinary Shares is suitable for them in the light of the information in this document and their personal circumstances.

1. RISKS RELATING TO THE GROUP'S BUSINESS

1.1 The Group has significant borrowings and debt service obligations. If the Resolutions are not passed and the Capital Raising does not proceed, such borrowings and debt service obligations could give rise to covenant breaches and liquidity shortfalls, and, as a result, adversely affect its business, financial condition, results of operations and prospects

Several external factors have significantly increased the Group's Leverage, including macroeconomic headwinds and the effects of destocking, and, in particular, the US Writers' and Actors' Strikes, which have significantly, but temporarily, weakened recent Group performance. To navigate the current challenging environment, the Group has taken decisive action to renegotiate its financing arrangements (as further detailed below) and initiated the following actions to reduce costs and preserve cash: (a) the Group has taken government support in Italy through La Cassa Integrazione Guadagni Ordinaria ("**CIGO**"), (b) Amimon was held for sale as at 30 June 2023 and reported as a discontinued operation and certain trade and assets of Lightstream were disposed of by the Group on 2 October 2023, (c) streamlining operations with consolidation of sites (including the closure of New Jersey and Stroud sites) and relocation of certain operations into other existing sites, (d) in Creative Solutions, up to 100 employees are working short-time hours to reflect market demand, (e) headcount freezes are in place across the Group, (f) debt factoring, (g) general cost containment measures, such as restrictions on travel and reductions in marketing spend, (h) restrictions on acquisitions, which the Group announced in its 2023 Half Year Results, and (i) the Group has suspended paying an interim dividend, which the Group also announced in its 2023 Half Year Results. Notwithstanding these mitigation actions, the Group's Leverage remains elevated at 2.9x as at 30 June 2023.

The Group has, and will continue to have, interest-bearing debt service obligations in accordance with the terms of the Revolving Credit Facility, Audix Term Loan and Savage Term Loan. As at 30 June 2023, the Group has Net Debt of £216.1 million from continuing operations. The Net Debt figure of the Group includes, among others: (i) a £200 million Revolving Credit Facility, of which £156 million was drawn as at 30 June 2023; (ii) a US\$53 million Savage Term Loan, of which £22.9 million was outstanding as at 30 June 2023; and (iii) a US\$47 million Audix Term Loan, of which £20.4 million was outstanding as at 30 June 2023, which together comprise the Group's current senior financial indebtedness (the "**Existing Senior Financial Indebtedness**").

To mitigate the impact of the current macroeconomic climate, destocking and the US Writers' and Actors' Strikes on the Group's ability to comply with the terms of its Existing Senior Financial

Indebtedness (as amended), the Group agreed with its lenders to certain amendments in respect thereof on 3 August 2023, 25 September 2023 and 10 November 2023.

Under the terms of the Existing Senior Financial Indebtedness (as amended) the Group is subject to Financial Debt Covenants in respect of its ratio of EBITA to Consolidated Net Interest Charges for each 12-month period: (A) ending 31 December 2023, being 2.0:1; (B) ending 31 March 2024, being 2.0:1; (C) ending 30 June 2024, being 3.25:1; (D) ending 30 September 2024, being 3.25:1; and (E) on 31 December 2024 and at each date falling six months thereafter, being 4.0:1. Additionally, the Group is subject to Financial Debt Covenants in respect of its ratio of Consolidated Net Borrowings to EBITDA for the 12-month period: (A) ending 31 December 2023, being 5.75:1; (B) ending 31 March 2024, being 4.25:1; (C) ending 30 June 2024 and 30 September 2024, being 3.75:1; and (D) ending 31 December 2024 and at each date falling six months thereafter, being 3.25:1.

However, if the proposed Capital Raising has launched on or before 30 November 2023, then the Group shall instead from the date of the launch be subject to Financial Debt Covenants in respect of its ratio of EBITA to Consolidated Net Interest Charges for each 12-month period: (A) ending 31 December 2023, being 1.25:1; (B) ending 31 March 2024, being 1.50 to 1; (C) ending 30 June 2024, being 1.75:1; (D) ending 30 September 2024, being 3.25 to 1; and (E) on 31 December 2024 and at each date falling six months thereafter, being 4.0 to 1. Additionally, the Group shall be subject to Financial Debt Covenants in respect of its ratio of Consolidated Net Borrowings to EBITDA for the 12-month period: (A) ending 31 December 2023, being 4.25 to 1; (B) ending 31 March 2024, being 4.25:1; (C) ending 30 June 2024 and 30 September 2024, being 3.75:1; and (D) ending 31 December 2024 and at each date falling six months thereafter, being 3.25:1.

The Capital Raising is expected to raise approximately £125 million in gross proceeds and approximately £116.7 million in net proceeds (after deduction of estimated commissions, fees, expenses and excluding VAT). The net proceeds are intended to be utilised to reduce Leverage and will allow Videndum to comply with its respective Financial Debt Covenants (as amended), whilst strengthening its balance sheet and providing additional flexibility to deliver its business priorities. The Group intends to use the Capital Raising proceeds to repay and cancel the remaining US\$55 million balances (as at Latest Practicable Date) of its two bank term loans, which relate to the acquisitions of Savage and Audix, and to repay drawings under the Revolving Credit Facility.

In order for the Capital Raising to proceed, the requisite number of Shareholders will be required to vote in favour of all the Resolutions. This includes one special resolution, which requires a vote in favour by a majority of not less than 75% of the total voting rights of the shares who (being entitled to do so) vote in person or in proxy. In the event that any one of the Resolutions does not receive the requisite majority to pass, the Capital Raising will not proceed. In the event that the Capital Raising does not proceed, the Company will not have sufficient working capital. According to the projections of the Company's financial position, conducted in connection with the Capital Raising, in the Company's 'base case' scenario (as opposed to the 'reasonable worst-case' scenario detailed below), where the Capital Raising is not completed, the Company would expect to breach its Financial Debt Covenants on the Test Date falling on 31 March 2024 and 30 June 2024. In addition, where the Capital Raising is not completed, according to the projections of the Company's financial position in its 'reasonable worst-case' scenario prepared in connection with the Capital Raising, the Company is expected to breach its Financial Debt Covenants as at the Test Dates falling on 31 December 2023, 31 March 2024 and 30 June 2024 contained within the Group's Existing Senior Financial Indebtedness (as amended). In addition, according to the 'base case' scenario, in March 2024 the Group's liquidity (being the combination of its undrawn committed facilities and its available cash balances) could fall below that necessary for the normal operation of the Group, resulting, without the successful implementation of some of the mitigating actions described below, in the Group being unable to access the funds required to manage its business. Moreover, any cash saving measures described above are likely to restrict the Group's ability to implement its strategy and/or limit the benefits realised from any successful partial implementation.

In these circumstances the Group would attempt mitigating actions, including renegotiation with its lenders to secure appropriate waivers or amendments. The Company has previously successfully secured amendments with its lenders, for example on 3 August 2023 and recently in connection with the Capital Raising on 25 September 2023 and 10 November 2023 in relation to

certain of its Financial Debt Covenants, but securing such waivers or amendments is not wholly within the Company's control and there is no guarantee that such waivers or amendments could be secured prior to each relevant Test Date.

The Group may also seek to sell assets on an accelerated timeline in order to increase liquidity. As announced as part of its 2023 Half Year Results, the Board has already decided to exit the non-core medical market, and has exited the non-core gaming market, to concentrate R&D investment on the content creation market. As a result, Amimon was held for sale as at 30 June 2023 and reported as a discontinued operation and certain trade and assets of Lightstream were disposed of by the Group on 2 October 2023. The 'base case' and 'reasonable worst-case' scenarios described above do not make any assumptions in relation to the sale of Amimon, given the sale is not fully within the Company's control. While the Company is already actively exploring the sale of Amimon, were the 'base case' or 'reasonable worst-case' scenario described above to materialise, it expects efforts would be made to accelerate this process. However, the successful completion of any such sales cannot be guaranteed, nor can it be guaranteed that they could be negotiated in a timely manner or at an acceptable price or (even if agreed) that any asset sales would ultimately be completed successfully. Furthermore, the Existing Senior Financial Indebtedness (as amended) requires consent for disposals subject to market standard exceptions, including (but not limited to) disposals or acquisitions in the ordinary course of trading. Moreover, notwithstanding these market standard exceptions, any disposals with proceeds below the threshold of £75,000,000 are permitted, provided any proceeds exceeding £25,000,000 are applied towards repayment of Existing Senior Financial Indebtedness. Therefore, if such consent is withheld, any proposed asset sale would be subject to these terms.

Moreover, pursuant to amendments in respect of its Existing Senior Financial Indebtedness dated 10 November 2023 the Company has agreed that during the period starting on 10 November 2023 and ending on 30 June 2024, the Company and no member of the Group shall acquire any business, any company or any shares in any company unless it has received the prior written consent of the Lenders (unless such acquisition is either: (i) in respect of intragroup arrangements; or (ii) in respect of cash equivalent investments including, but not limited to, deposits and investments in marketable debt obligations). Therefore the Company and the Group may be limited in its ability to make acquisitions during this period as there is no guarantee that the lenders will provide consent (unconditionally or otherwise) to acquisitions during this period.

Even if the above mitigations were successfully achieved, the Company may continue to need to implement cash-saving measures that are within its own control, for example reducing discretionary spending, increasing cost efficiencies, reducing R&D and further reductions in capital expenditure (for property, plant and equipment), which may restrict the Company's ability to implement its strategy more broadly. There are a number of challenges to the implementation of the actions outlined above, and there can be no assurance that they would be capable of implementation in a timely manner, nor that they would ultimately be successful in improving liquidity levels if they were implemented. In a scenario where the above measures could not be completed successfully, the Company would, on the basis of its 'base case' scenario, be in breach of its financial debt covenants contained within the Group's Existing Senior Financial Indebtedness (as amended) as at the Test Dates falling on 31 March 2024 and 30 June 2024. While, on the basis of the reasonable worst-case scenario, the Company would be in breach of its financial debt covenants contained within the Group's Existing Senior Financial Indebtedness (as amended) as at the Test Dates falling on 31 December 2023, 31 March 2024 and 30 June 2024.

In the event that the Capital Raising did not proceed and a breach of its Financial Debt Covenants, in the form described above, occurred, the Company's lenders under the Existing Senior Financial Indebtedness (as amended) would have the right to demand immediate repayment of all amounts due under such facilities (together approximately £213.6 million as at 30 September 2023). The Company would be unlikely to obtain the funds necessary to repay such amounts if they became immediately due and payable upon the demand of the lenders following a breach of its Financial Debt Covenants. In such circumstances, the Company may enter into administration or become subject to other insolvency proceedings, and Shareholders would be at risk of losing all or a substantial portion of their investment.

If the Capital Raising does not proceed, there can be no assurance that the Company will be able to avoid a breach of its Financial Debt Covenants, nor that the Company would be successful in implementing any of the mitigation actions described above and, even where these are

implemented successfully, there can be no guarantee that these mitigation actions would be sufficient to resolve the Company's liquidity shortfall.

In the short-term, if the Capital Raising does not proceed, and the Group were not able to successfully implement any alternative mitigating action, the Group would operate with a level of Leverage that could adversely affect its business, financial condition, results of operations and prospects, including:

- increasing the Group's vulnerability to adverse general economic or industry conditions that are beyond its control and the Group's ability to adapt to increases in interest rates or other such risks during adverse economic or industry conditions;
- requiring the Group to dedicate a substantial proportion of its cash flow to payments of interest or other amounts due on its debt, which in turn reduces the funds available for other purposes and limits the Group's ability to execute and/or fully recognise the anticipated benefits of its business strategy;
- negatively impacting the Group's credit rating, which could make it more difficult or more expensive for the Group to obtain financing in the future or to refinance its existing debt;
- limiting the Group's ability to borrow additional funds or raise equity capital in the future;
- placing the Group at a competitive disadvantage compared to competitors that may have less debt as such competitors may have greater capital to expend on its corporate strategy or product innovation rather than payments to financiers, which may lead to a loss of market share; and
- a risk of breaching the borrowing limits set out in Article 97 (Borrowing Powers) of the Articles. In such circumstances, there is a risk that any new debt incurred or security given, in excess of such limit, would be invalid or ineffectual. The Company is also required to seek a shareholder resolution in a general meeting to exceed such borrowing limit.

1.2 The US Writers' and Actors' Strikes have had a material adverse effect on the Group. Although the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification), the Group's rate of recovery from such US Writers' and Actors' Strikes is not yet known or may be slower than anticipated

The Writers Guild of America ("WGA") and the Screen Actors Guild-American Federation of Television and Radio Artists ("SAG-AFTRA") went on strike in May and July 2023, respectively ("US Writers' and Actors' Strikes"). The WGA strike was initiated following the expiration of their Minimum Basic Agreement with the Alliance of Motion Picture and Television Producers ("AMPTP"), which is a trade association responsible for negotiating industry-wide guild and union contracts, including those with WGA and the SAG-AFTRA. The SAG-AFTRA strike was initiated as SAG-AFTRA had also been conducting its own contract renewal negotiations with the AMPTP, with SAG-AFTRA seeking, among other things, an 11% general wage increase in the first year of the contract to account for inflation. The Writers' Guild of Great Britain has also advised members not to work on new projects within the jurisdiction of the WGA for the duration of the US Writers' and Actors' Strikes.

On 24 September 2023, the WGA announced that they had reached a tentative agreement on a new 2023 Minimum Basic Agreement. On 26 September 2023, the WGA further announced that the Negotiating Committee, the WGAW Board and WGAE Council had voted unanimously to recommend the agreement, and that the agreement would go to the guilds' membership for a ratification vote. The WGAW Board and WGAE Council also voted to lift the restraining order and end the WGA strike as of 27 September 2023, which allowed writers to return to work during the ratification process. On 9 October 2023, the WGA announced that 99% of WGA members voted in favour of ratifying the new 2023 Minimum Basic Agreement, which represents an end to the WGA strike. The SAG-AFTRA strike is separate from the WGA strike, and the actors remained on strike until 9 November 2023 when SAG-AFTRA announced that they had reached a tentative agreement with AMPTP on a new contract for its members, which SAG-AFTRA's national board voted to recommend on 10 November 2023 subject to ratification by its members at a vote to be held on 5 December 2023 (the "SAG-AFTRA Member Ratification"). Members will return to work during the ratification process. While there can be no certainty over the outcome of the ratification process, the Company expects the agreement to be ratified by SAG-AFTRA's members and the

end of the strike to become permanent, based on the overwhelming ratification of the new 2023 Minimum Basic Agreement by WGA members and the positive public response of SAG-AFTRA members to the proposed agreement in the aftermath of SAG-AFTRA's announcement.

The US Writers' and Actors' Strikes have resulted in US and some European cine/scripted television productions having been delayed, and in certain cases cancelled. In addition, many writers were not participating in any scripts or revisions and many existing series were not filming. The US Writers' and Actors' Strikes have had a significant impact on the Group's financial performance, with the largest effect on Creative Solutions, where the majority of products are used in cine/scripted television, and have impacted demand for the Group's high-end cine and scripted TV products in the US which represents c.20 per cent. of the Group revenue as at 30 June 2023. The Production Solutions' market has also been impacted in the short-term by the US Writers' and Actors' Strikes.

While the WGA strike has ended, it is still not yet certain: (a) whether the agreement reached between SAG-AFTRA and AMPTP will be ratified by SAG-AFTRA's members; (b) the timings regarding when productions will restart; and (c) the Group and industry rate of recovery from the US Writers' and Actors' Strikes. If there are further delays in the production of, or the release of, television programmes, feature films and interactive entertainment, during the recovery period from the US Writers' and Actors' Strikes, demand and sales of the Group's products that support the creation of that content may be lower than anticipated and this may lead to lower revenues and profit than forecasted. Such decline in demand could continue to result in both a decline in orders from customers globally and additional requests from customers to defer some orders already placed during the recovery period from the US Writers' and Actors' Strikes. Such deferrals could result in products or solutions produced by the Group taking longer than expected to be sold, with a corresponding delay in revenue associated with such sales. In addition, the rate of recovery for the Group and its customers that have been impacted by the US Writers' and Actors' Strikes is unknown or may be slower than anticipated. Any reduction or delay in production due to the impact of recovery from such strikes could have the effect of restraining growth in the global installed base of the Group's products, which could, in turn, result in reduced demand for Videndum's products and services, in turn reducing future revenue and Videndum's customer base.

In addition, financial pressures associated with the US Writers' and Actors' Strikes during the period of recovery from such strikes could: (i) cause the Group's customers across its various divisions to continue to delay or withhold payments due in respect of products and/or services purchased from the Group for a period of time while it is adjusting to the strikes ending; and/or (ii) result in the insolvency of certain of the Group's customers. For example, the Group is aware that a rental house customer (ProCam Take 2 Limited) and its Media Solutions distributor in Mexico (Turicia) recently went into administration. Such pressures may require the Group to further increase its efforts to collect overdue payments, renegotiate payment terms with customers and/or accept the financial consequences of delayed payment or non-payment. This could result in reduced future revenue received from customers and/or increased costs of collecting outstanding payments from customers, as well as a reduced order backlog, during this recovery period. Increased customer insolvencies may also result in an increase in the total value of payments due from customers that the Group is unable to recover, and so must ultimately write off. The Group has credit insurance arrangements in place, however this covers approximately 50% of debtor receivable balances, so there is exposure on the remaining portion. All of these consequences could have a material adverse effect on the Group's business and results of operations.

The Group has undertaken mitigating actions to further reduce costs to take advantage of the recovery from the ending of the US Writers' and Actors' Strikes. See *"1.1 The Group has significant borrowings and debt service obligations. If the Resolutions are not passed and the Capital Raising does not proceed, such borrowings and debt service obligations could give rise to covenant breaches and liquidity shortfalls, and, as a result, adversely affect its business, financial condition, results of operations and prospects"*. However, as uncertainties continue to remain around the Group's rate of recovery from the impact of the US Writers' and Actors' Strikes, which may be slower than anticipated, further mitigating actions may need to be put in place.

There is a risk that, given the increased compensation to the WGA and SAG-AFTRA members, major film producers, such as Warner Bros., Netflix, and Disney, reduce the number of

productions or initiate cost reductions in other business areas, which may have an impact on the Group's business. In addition, there can be no assurance that strikes may not re-commence in the future.

The US Writers' and Actors' Strikes have had a material adverse effect on the Group. Although the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification), the full extent of the Group and the industry's rate of recovery is unknown and may be slower than anticipated.

1.3 The Group is dependent on its key suppliers and the loss of key suppliers or a disruption to the Group's external supply chains operated by its key suppliers could affect the Group's ability to source raw materials and key components and meet the demands of customers

The Group has several key supplier relationships that help ensure the efficient delivery of its raw materials and components and is reliant upon those key suppliers performing their obligations in accordance with the terms and conditions agreed between the Group and such suppliers. The Group's key suppliers include those providing finished goods components, raw materials such as base metals, semi-conductors, IT services, business-to-business customer account management and credit services, construction services, energy and other utilities. The Group is reliant on such key suppliers, and whilst the Group purchases raw materials from a diverse range of sources, there is a risk that key suppliers suffer disruption, delay or shortages in the supply of materials, fail to meet agreed service levels, experience any natural or other disaster impacting its operations, or any other such difficulties, which may impact the ability of the Group to source raw materials of appropriate quality.

Videndum has historically faced shortages from key suppliers when purchasing certain raw materials and components. In 2021, Videndum faced shortages of semiconductors, such shortage was publicised globally and was due to an unprecedented surge in demand coupled with global factory outages and exacerbated by the COVID-19 pandemic. While this issue has eased somewhat during 2022 and 2023, such shortages still exist. Other supplier dependencies exist in the Group, in particular the modules produced by a key supplier, and the Group is also reliant on one supplier for the contract manufacturing of certain finished products (for example certain lighting product ranges manufactured by a key supplier), and certain "prompter" products manufactured by a key supplier. These shortages of raw materials and components may be affected by external factors, including market shortages, short and/or long-term physical climate-related disruptions (including weather events and natural disasters), strikes, pandemics, global macroeconomic and geopolitical events, or internal events that affect availability.

While the supply chain disruptions resulting from the ongoing military action in Ukraine ("**Russia-Ukraine Conflict**") and the related sanctions have had no direct impact on the Group's external supply chains operated by its key suppliers, there was an indirect impact on the price of semi-conductors reliant on noble gases exported from Russia. In addition, key suppliers of the Group are located in China and Taiwan, including that the Group has dependency for the supply of chipset technology from a Taiwanese supplier, accordingly there is a risk of supply chain disruptions due to geopolitical issues between China and Taiwan and also between the United States and China, which may impact the Group. In addition, the military and political conflict in Israel-Gaza ("**Israel-Gaza Conflict**") poses a risk of supply chain disruption due to the Group's presence in Israel, with the Group owning assets and engaging with persons in Israel. Accordingly, such geopolitical events have contributed and may continue to contribute to increased supply chain disruption and raw material shortages from key suppliers. While the Group has implemented price increases to offset adverse supply chain movements (such as increases to the price of raw materials from key suppliers), if the Group's external supply chains operated by its key suppliers are not sufficiently resilient to unforeseen events, such events could affect the Group's operations, which could result in significant financial and reputational damage. In addition, reliance on key suppliers, whether they supply services such as logistics or manufacturing goods, increases the risk that any issues in such key supplier's supply chain, including health and safety issues, breaches of laws or regulations, environmental issues, or a general lack of responsible sourcing, could impact the Group and damage its reputation or that of its brands.

The loss of a key supplier where the Group is unable to find a suitable alternative could hinder the Group's ability to fill customers' orders in a timely and cost effective manner or in the required quantities, which could result in order cancellations, decreased revenue or loss of market share and damage to the Group's reputation, which could have a material adverse effect on the Group's operations and financial position.

1.4 The Group is dependent on its key customers and the loss of key customers or reduction in demand by such key customers for Videndum's products could materially affect the Group's business

Although the Group has a wide customer base, it is subject to customer concentration risk, with its two largest customers accounting for more than 10% of the Group's total turnover in FY22. The Group is also dependent on one key customer for the renewal of service contracts for the winter and summer Olympics. The Company believes that a loss of a key customer (including the top two largest customers), the reduction in spending power of a key customer, or a significant worsening in their success or financial performance, could have a materially adverse effect on the Group's operating results, which could have a negative impact on revenue and profitability.

The Group may experience turnover in its key customer base in the ordinary course of its business based on, among other things, key customers' decisions whether or not to purchase the hardware products and/or software solutions which the Group offers. In addition, ordinary course contractual renewal cycles create risks that the Group may not be able to retain sufficiently high numbers of existing key customers (or retain them at similar service levels), or that it may not win new customers at a higher rate than it experiences losses of, or a reduction in services provided to, existing customers. Key customers may decide not to renew existing contracts as they expire, or the Group may be unable to secure new contracts for a variety of reasons. For example, the Group's operations in a particular service area may be dependent on one or more customers who may contract for services with a competitor of the Group due to better pricing or contract terms. Large customers could also source services from a competitor of the Group due to better pricing or contract terms. If the Group's reputation or relationship with its key customers were impaired, it could have a material adverse effect on the Group's business, results of operations and financial condition.

The Group has experienced the effect of continued destocking by key customers, which include large retailers, consumer electronic chains and e-commerce providers. Customer destocking has been a result of the general economic conditions and the global geopolitical political climate conditions—see in particular, *"2.1 The performance of the Group's business is directly linked to general economic conditions and the world geopolitical conditions, which may adversely affect the Group's business, financial condition, results of operations and prospects"*. A weak or uncertain macroeconomic environment has and may continue to cause reduction in demand for the Group's products and services from key customers. The continued effects of destocking could subsequently lead to weaker levels of demand for the Group's products and services, which could lead to a reduction in prices and sales volumes and thus affect sales growth and capacity utilisation within the Group, which could have material adverse effects on the business, financial condition and operating or financial results of the Group. In addition, key customers within the ICC segment of the Group are also affected by general economic conditions, which may reduce or eliminate their spending on the Group's products and solutions or opt for alternative, lower-cost substitutes which, in turn, could have an impact on its short-term growth rates and lead to margin erosion. For the six-month period ended 30 June 2023, the ICC segment of the Group accounted for c.35% of the Group's revenue. Key customers within this segment may also be affected by such macroeconomic factors.

In addition, the US Writers' and Actors' Strikes have contributed to a decline in key customer revenues. Although the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification), it is still not yet clear when productions will restart and the impact of recovery for the Group's customer base remains unclear. Accordingly, customers may seek to exit existing arrangements or fail to renew service agreements as a result of a combination of the prolonged SAG-AFTRA strike or recommencement of the WGA strike.

Any of the foregoing could have a material adverse effect on the business, results of operations and financial condition of the Group.

1.5 The Group may be subject to information technology systems failures, network disruptions and breaches of cyber security. A cyber incident could occur and result in information theft, loss of data, data corruption, operational disruption or reputational damage and/or financial loss, each of which could have material adverse effects on the Group's business, financial condition, results of operations and prospects

The Group faces certain cyber security threats, including threats to confidentiality, as well as the availability and integrity of its data and systems. While the Group employs measures designed to prevent, detect and respond to unauthorised activity in its systems, the failure of such measures could result in certain types of attacks, including cyber-attacks causing significant financial or information losses and/or reputational harm. Cyber security threats are particularly persistent, as they evolve quickly and may include, but are not limited to, computer viruses, ransomware, attempts to access information, denial of service and other breaches. In addition, the Group operates a decentralised IT structure which may increase risks relating to cyber security due the absence of a unified system. If the Group is unable to protect sensitive information, its customers could question the adequacy of its threat mitigation and detection processes and procedures. In addition to the extraction of data from the Group's systems, cyber-attacks could involve the destruction, manipulation and/or corruption of the Group's data, including data relating to the Group's R&D programmes, and could also temporarily prevent the Group from offering products and/or providing services to its customers. In addition, a cyber-attack could give rise to product safety concerns that require repairs to or replacement of certain products or parts of products and/or may result in the temporary or permanent suspension of the use of certain products, particularly those software solutions provided by the Group which contain confidential and personal data. This may include, but not limited to, employee personal data, payroll information, e-commerce customers, sole trader customers and partnerships, and mailing lists.

The Group could also be subject to cyber-attacks designed to gain access to its proprietary information, including production processes and know-how. The Group holds proprietary information relating to intellectual property and software products. If the Group fails to prevent or otherwise address cyber-attacks designed to gain access to its proprietary information, its critical applications, intellectual property rights and know-how may be jeopardised. This could result in interruption of the Group's business operations, damage to the Group's systems and/or increased liability to customers as a result of delays in the provision of products and/or services. Such consequences could, in turn, have a material adverse effect on the Group's financial position and reputation.

In addition, the industries in which the Group operates have become increasingly dependent on information technology to conduct certain processing activities. For example, the Group depends on information technology to perform many of its services and to process and record financial and operating data. At the same time, cyber incidents, including deliberate attacks, have increased and may further increase as a result of the Russia-Ukraine Conflict or the Israel-Gaza Conflict. The technologies, systems and networks utilised by the Group and its vendors, suppliers and other business partners may become the target of cyberattacks or information security breaches that could result in the unauthorised release, gathering, monitoring, misuse, loss or destruction of proprietary and other information, or other disruption of business operations. In addition, certain cyber incidents, such as surveillance, may remain undetected for an extended period.

Increased reliance on technology carries with it an increased risk of cyber security issues, including phishing and end point vulnerability, which has been particularly heightened in light of the current environment of increased remote working following the response to the COVID-19 pandemic. Further, the Group's systems for protecting against cyber security risks may not be sufficient. For example, the Group divisions have separate IT platforms which present a higher degree of risk. As cyber incidents continue to evolve, the Group will likely be required to expend additional resources to continue to modify or enhance its protective measures or to investigate and remediate any vulnerability to cyber incidents. Further, the General Data Protection Regulation (Regulation (EU) 2016/679) came into effect in Europe on 25 May 2018 and has created a range of new compliance obligations and significantly increased financial penalties for non-compliance. GDPR was incorporated into domestic law in the United Kingdom, with minor amendments, by virtue of European Union (Withdrawal) Act 2018, as amended and supplemented which the Group is also subject to. Regulators, such as the Information Commissioner's Office, have significant powers and can impose inter alia significant monetary

finances for violations of GDPR (and other data protection laws applicable to the Group), including in the event of personal data breaches as a result of a cyber incident. Accordingly, if the Group faces certain cyber security incidents it may be exposed to significant financial penalties. Whilst the Group continues to enhance its security defences through increased investments and the implementation of the Group's cyber security plan, if a significant or widely publicised unlawful disclosure of employee or customer data were to occur, whether as a result of a failure of the Group's information technology security systems, data centre outages, employee negligence or the actions of vendors, the Group may lose intellectual property, suffer reputational damage and/or be subject to legal claims by individuals, fines or other enforcement action. Cyber security breaches may also lead to cyber attackers demanding ransom in exchange for decryption. All of the above may result in information theft, data corruption, operational disruption, and/or financial loss.

Information technology systems failures, including risks associated with upgrading systems, network disruptions, data centre outages and breaches of data security could disrupt the Group's operations by impeding the Group's operational efficiencies, delaying processing of transactions and inhibiting the Group's ability to protect customer or internal information. The Group's computer systems, including its backup systems, could be damaged or interrupted by power outages, computer and telecommunications failures, computer viruses, internal or external security breaches, events such as fires, earthquakes, floods, tornadoes, hurricanes, pandemic flu and climate change induced disasters and/or errors by the Group's employees. These may also impact the Group's manufacturing plants or supply chain, particularly where these account for a significant amount of its trading activity.

Although the Group has taken steps to address these concerns by implementing network security, backup systems and internal control measures, a system failure or data security breach could occur and materially adversely affect the Group's business, financial condition and results of operations.

1.6 The Group depends on the recruitment and retention of qualified personnel, and its failure to attract and retain such personnel could reduce the Group's ability to deliver its strategy

The Group employs approximately 1,700 people as at 30 June 2023. The success of the Group in the highly competitive markets in which it operates will continue to depend to a significant extent on certain key, highly skilled employees, including its executive leadership team, software and hardware engineers, product and marketing managers, heads of divisions, regional managers, R&D staff, key technical specialists and project managers. In addition, the future growth and success of the Group also depends on its ability to attract, train and retain skilled employees. The Group may not be able to retain key employees or to recruit qualified individuals, should the Group's revenue and profitability be negatively impacted as set out in this document. Competition for engineering talent remains strong and there is still a risk that some key engineers may leave the Group, thereby adversely affecting the development of new products.

The Group is also undertaking restructuring measures to reduce costs and refocus the business on its core capabilities and markets. As part of these restructuring activities, in the Creative Solutions division up to 100 employees have been working short-time hours and the Group has streamlined operations, which has involved the closure of New Jersey and Stroud sites, and relocation of operations into other existing sites. The Group has also limited bonus and incentive arrangements (e.g. Sharesave). Accordingly, the impact of such restructuring activity and business uncertainties, could lead to staff morale being negatively impacted or employees seeking more lucrative pay and/or certainty elsewhere, which could lead to an increased risk of loss of key employees and higher staff turnover. The loss of key employees could result in high transition costs and could disrupt the operations of the Group, which could in turn have an adverse effect on its business, financial condition and operating or financial results.

The Group's future success also depends substantially on the continued service and performance of its senior management team for the running of its daily operations, as well as for the planning and execution of its strategy. There is strong competition worldwide for experienced senior management and personnel with expertise in the engineering sector. If the Group loses the services of members of its senior management team or other key personnel, it may have difficulty replacing them and incur additional costs trying to do so. If the Group is unable to find suitable replacements in a timely manner, its ability to realise its strategic objectives could be impaired,

which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.7 If the Group is not able to continue to develop innovative new products or fails to understand customer preferences and/or fails to adapt to technological change, its customers may turn to other producers in order to meet their evolving requirements

The ability of the Group to compete is, and will remain, highly dependent on its ability to develop new products to satisfy the evolving demands of its customers. Alternative products and processes could be developed in future, or existing products and processes improved, which could be used in place of the products and technologies supplied by the Group. Creative Solutions represents c.20% of Group revenue, and the Creative Solutions division develops, manufactures and distributes premium branded products and solutions for film and video production companies, ICCs, enterprises and broadcasters. Such customers, namely content creators, are continually looking for more efficient and financially attractive ways to deliver content. The Group therefore needs to stay at the leading edge of developing products to satisfy customers' evolving demands.

If new types of products or technologies with favourable characteristics are developed, or existing products or technologies are improved by other manufacturers, or if technological developments or improvements in processes result in competitors being able to offer products at lower prices than the products offered by the Group, there is a risk that customers could replace products developed by the Group with materials or technologies offered by competitors (such technologies may include artificial intelligence technologies). In addition, new emerging technology (including artificial intelligence technology) may make some of the current products outdated and there is no guarantee that R&D will deliver new technology and products that remain appealing to customers. If, in this case, the Group is not in a position to compete on the basis of quality, product features and/or price, this could lead to substantial declines in sales, which could adversely affect the business, financial condition and operating or financial results of the Group. The future growth of the Group will depend on its ability to gauge the direction of the commercial and technological progress in all key end-user markets, and upon its ability to successfully develop, manufacture and market products in such changing end-use markets.

The success and growth of the Group's business depends to a significant degree upon its ability to continue to adapt to technological changes and on its ability to develop innovative new products for its customers, for example adopting and utilising artificial intelligence technologies and understanding the opportunities and risks that these can bring to the Group's end markets.

In addition, customer demands are currently changing, requiring that companies adopt technologies, materials and processes that ensure minimal impact on the environment and maximise their use of sustainable resources, and formalise integrity of supply chains and prioritise health and safety. As a result, customers may reduce their use of the Group's products and services if they believe such products and services are harmful to the environment, do not have integrity within their supply chains and/or do not prioritise health and safety. Videndum's goal is to become a carbon neutral company by the end of 2025, a net-zero company by 2035 for Scope 1 and 2 emissions, net zero company by 2045 for Scope 1, 2 and 3 emissions and to achieve a 50% reduction in annual consumption of single-use plastics by 2024. Were the Group to fail to achieve these goals at all or in the anticipated timeframe, this could have a negative impact on how the Group is perceived by its customers, which, in turn, could result in a decline in demand for our products and services and negatively impact its reputation.

The Group needs to continue to identify, develop and market innovative products on a timely basis to replace existing products in order to maintain its profit margins and its competitive position. If the Group fails to keep pace with evolving technological innovations or fails to modify products in response to customers' needs, then the business, financial condition and operating or financial results of the Group could be materially adversely affected as a result of the associated reduction in sales and profitability.

1.8 Corporate strategic or restructuring projects and cost saving actions may not be successful or may take longer and be more expensive than anticipated

The Group announced in its 2023 Half Year Results that it is implementing restructuring projects in all of its divisions to ensure it has a lean organisation ready to capitalise once trading conditions improve. The Group periodically undertakes strategic or restructuring programmes to make operations more efficient and/or reduce its cost base. There is an inherent risk with any large strategy or restructuring programme that it requires a significant amount of management time and thus may affect or impair the ability of the Group's management team to run its business effectively until completion of the restructuring. Any such strategy or restructuring programme may take longer than expected, or difficulties relating to its implementation may arise, and there can be no assurances that the actual cost of a restructuring programme will not exceed the original cost estimates, or that the planned outcomes will be achieved.

Restructuring activities may include reducing headcounts, closing sites, and potentially consolidating of sites and businesses, and/or consolidation of enterprise resource planning. These restructuring measures will be planned and costed out, but by their inherent nature carry risk around execution and deliverability, particularly if the right skills are not available to execute such restructuring plans.

Furthermore, the Group may not be able to retain personnel with the appropriate skill-set for the tasks associated with the implementation of a strategic or restructuring programme, which could materially impair the Company's strategy and restructuring programmes. In addition, the divisional structure of the Group (comprised of three largely autonomous divisions) may delay the ability of the Group to quickly consolidate the business and restructure its operations.

Any of the foregoing could have a material adverse effect on the business, results of operations and financial condition of the Group.

1.9 The Group is subject to risks associated with the disposal and separation of non-core businesses from those retained by the Group

The Group announced in its 2023 Half Year Results that it has decided to exit the non-core medical market, and has exited the non-core gaming market, to concentrate R&D investment on the content creation market. As a result, Amimon was held for sale at 30 June 2023 and reported as a discontinued operation and certain trade and assets of Lightstream were disposed of by the Group on 2 October 2023.

The Group's ability to dispose of businesses and assets could be affected by various factors, including the availability of purchasers willing to acquire such assets or businesses at acceptable prices. If a disposal of Amimon were to take place, Videndum expects to retain the exclusive rights to deploy its chipset technology with zero delay wireless video transmission technology in content creation markets, including its Teradek and Small HD products. Accordingly, the Group will be reliant on a potential purchaser agreeing to such condition. The Group may also incur unexpected additional costs with recent and future disposals and the Group's business following any disposal may be less diversified. At completion of a disposal, the Group may need to enter into transitional service arrangements as part of such sales, which could cause the Group to incur unexpected additional costs and/or adverse impacts on the functioning of the Group's business as a result of its obligations under transitional service arrangements, which could adversely affect its business, financial condition or results of operations. Moreover, as a result of recent (or any future) disposals, the Group has (and may) become less diversified, which may make it more susceptible to adverse developments in the Group's remaining product and business lines. The Group may remain at risk of potential litigation and business claims in relation to divested businesses where it has provided warranties and/or indemnities to the purchaser, or where it has continuing obligations. In addition, Amimon has an R&D centre in Israel, where the majority of its employees are based. The Israel-Gaza conflict could delay the disposal of Amimon and could affect the price at which purchasers are willing to acquire such assets or businesses.

If balancing the Group's portfolio by making disposals diverts too much management attention from the operations of the Group's current businesses, this could adversely affect the Group's financial condition and results of operations.

Any of the foregoing may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.10 The Group is subject to risks associated with acquisitions and the integration of these businesses with the Group's business

The long-term strategy of the Group involves acquisitions from time to time, including for example the key acquisitions of: (a) Audix in January 2022; and (b) Savage in November 2021. The Group regularly explores opportunities to expand its business through development activities such as acquisitions. Given the impact of the US Writers' and Actors' Strikes, the ongoing macroeconomic headwinds and the effects of destocking, the Group's expansion plans have been significantly impacted by such events, which has led to the postponement of the majority of non-committed development capital expenditure by the Group. Whilst focus in the short to medium-term will be on strengthening the balance sheet and reducing Leverage, and the Group has announced in their 2023 Half Year Results that no acquisitions will occur in the near term, the Group may continue to acquire companies or assets in the future if it identifies suitable acquisition targets. However, there are risks associated with any acquisition.

Acquisitions of businesses are subject to risks that could affect the Group's business, and the success of such transactions depends upon the Group's ability to identify suitable acquisition opportunities, to assess the value, strengths, weaknesses, liabilities and potential profitability of such acquisition targets and to negotiate acceptable purchase terms. Similarly, the Group may not be able to acquire other businesses if it is unable to obtain financing for such acquisitions on attractive terms or at all, and the Group's ability to obtain financing may be restricted by the terms of, among other things, the Revolving Credit Facility or other indebtedness that may be incurred. Furthermore, if the Group is permitted to use debt financing for any acquisitions, this would increase its debt service requirements, or alternatively, the Group may use operating cash flows to finance acquisitions, which would decrease its retained earnings and the amount of cash on the balance sheet. For example, to finance the acquisition of Audix, the Group entered into the Audix Term Loan. In order to manage any acquisitions the Group successfully completes, the Group will need to expand and continue to improve its operational, financial and management information systems.

If the Group makes acquisitions, it may not be able to generate expected margins or cash flows, or to realise the anticipated benefits of such acquisitions, including growth or expected synergies. Additionally, the integration of any acquisitions may require more investment than anticipated, and the Group could incur or assume unknown or unanticipated liabilities or contingencies with respect to customers, employees, suppliers, government authorities (including in relation to issues such as bribery, corruption, data protection, environmental liabilities, cyber security and governance risks) or other parties, which may impact the Group's operating results. While the Group seeks to mitigate these risks through, among other things, due diligence processes and indemnification provisions, it cannot be certain that the due diligence process it conducts identifies all risks and liabilities associated with the acquisition or that the indemnification provisions and other risk mitigation measures the Group puts in place will be sufficient. Any unknown or unanticipated liabilities or contingencies that the Group assumes, or any additional information about the acquired business that adversely affects it (such as issues relating to compliance with applicable laws) could substantially increase the Group's costs. It is also possible that the Group identifies targets that are not as appropriate for its business as expected or that the value that the Group expected to realise from the acquisition is below expectations.

Integrating any acquired business may divert management's attention from the operations of the Group's current businesses, which could adversely affect the Group's financial condition and results of operations. Any acquisition the Group consummates may not ultimately provide the benefits originally anticipated. Furthermore, the Group may not succeed in identifying attractive acquisition candidates or financing, if necessary, on favourable terms.

Any of the foregoing may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.11 The occurrence of major operational interruptions or problems at the Group's facilities could have a material adverse effect on its overall business, financial condition and results of operations

As at 30 June 2023, the Group has three major manufacturing sites: in Feltre (Italy), Cartago (Costa Rica) and Bury St. Edmunds (United Kingdom). The Group also has smaller operations in several territories, including in Cary (United States), Irvine (United States), Portland (United States), Phoenix (United States) and Ashby-de-la-Zouch (United Kingdom). The results of the Group's business are dependent on: (a) the continued operation of these production facilities and the maintenance of high levels of asset utilisation; (b) the transport infrastructure that carries supplies to the facilities and the ability to complete planned construction; and (c) capacity expansion and maintenance projects being completed on schedule.

The Group's operations are subject to these dangers and the related use, storage, transportation and disposal of raw materials, products and wastes, including: (a) severe weather conditions such as hurricanes, fires, earthquakes, floods, extreme temperature fluctuations or any other natural or manmade disaster or other adverse weather conditions; (b) explosions and other accidents, including pipeline leaks and ruptures; (c) human error or mechanical failures; (d) unplanned production downtime; (e) transportation interruptions; negligent actions of third parties; (f) terrorism or sabotage aimed at disrupting the Group's production facilities; (g) unpermitted discharges or releases of toxic or hazardous substances or gases; and (h) other environmental health, safety and security risks. Several sites are located in areas with higher risk of earthquake (Irvine, Cartago, Feltre). In addition, Bury St. Edmunds is a key site for manufacturing of flowtech products (carbon fibre cell), and there has been disruption in the past due to technical production issues. Such dangers and hazards could cause, at the Group's facilities, personal injury and loss of life, severe damage to or destruction of property and equipment, delays in the transportation of products, as well as environmental damage, and may result in suspension of operations and the imposition of civil and criminal liabilities, including penalties and damage awards.

The Group also has scheduled shutdowns at its production facilities in order to perform necessary inspections and testing to comply with industry regulations and to permit the Group to carry out maintenance that may be necessary. Scheduled shutdowns may require longer downtime than anticipated. Unscheduled shutdowns may occur due to technical failure or other reasons. Extended downtime at any of the Group's major operating facilities, whether the result of a scheduled shutdown or otherwise, could reduce rates of asset utilisation and undermine the Group's ability to maintain high production volumes and meet its commitment to customers, which could materially adversely affect the Group's business, financial condition and results of operations. In addition, the Group's operations at such facilities, in particular the United Kingdom, Bury St. Edmunds and Italy, Feltre may be adversely affected by industrial action, as such sites employ some unionised workers. The Group cannot assure that the good relationships it believes it has established with employees and their unions will continue to be amicable or that it will not be affected by strikes, work stoppages, unionisation efforts, or other types of conflict with labour unions or employees.

While the Group has sought to insure its various facilities, any significant interruption occurring from time to time in operations at the Group's facilities, including interruptions caused by the events described above, may exceed the limitations of the Group's current insurance coverage. Changes in the Group's insurance costs or conditions attaching to insurance cover could also reduce the productivity and profitability of a particular production plant, or the Group's business generally, during and after such interruptions.

1.12 Failure to adequately protect or effectively enforce intellectual property rights could have an adverse effect on the Group

The success of the Group relies to a significant degree on its ability to identify, protect and preserve intellectual property and other proprietary information, confidential know-how and business secrets, including processes, apparatuses, technologies, trade secrets, trade names and proprietary manufacturing expertise, methods and compounds particularly in relation to technologically sophisticated products.

Despite the Group's efforts to protect its intellectual property rights (which includes seeking to enforce the Group's associated rights), any of its direct or indirect intellectual property rights could

be challenged, invalidated or circumvented. The Group may also be unable to prevent third parties from using intellectual property and other proprietary information without authorisation or independently developing similar intellectual property and other proprietary information, particularly in those countries where the laws do not afford comprehensive protection of proprietary rights and despite actions the Group takes to protect its proprietary rights, including the registration of trademarks and patents.

While it is the policy of the Group to enter into confidentiality agreements with its employees and third parties to protect intellectual property, such confidentiality agreements may be breached, may not provide full protection for trade secrets or proprietary know-how globally or adequate remedies may not be available in the event of an authorised use or disclosure of these trade secrets and know-how.

The use of intellectual property and other proprietary information and confidential know-how by an unauthorised third-party could reduce or eliminate any competitive advantage that has been developed, cause the loss of sales or a reduction in future profits or otherwise materially adversely affect the business, financial condition and operating or financial results of the Group. If it becomes necessary to litigate to protect these rights, any proceedings could be burdensome and costly, may divert significant management attention from the operations of the Group's current businesses and may not ultimately be successful.

1.13 The Group's business is dependent on the strength of its brands and its reputation, damage to which could adversely impact the performance of the Group

The Group depends on its brand name and the brand names of its various businesses and products, and any damage to these brands or the Group's wider reputation could impact the ability to attract and retain customers with a resultant impact on revenue, as well as its ability to attract high-calibre employees.

These factors include: (a) negative publicity resulting from lawsuits; (b) negative media coverage; (c) reviews (including on public social networking websites) or customer complaints; (d) a decline in the quality or selection of the products and services provided by suppliers; (e) the Group's inability to provide the level of customer service demanded by its customers; (f) human error on the part of the Group's employees or third party service providers; (g) product liability issues; and (h) interruptions in service caused by failure or malfunction of the Group's technical systems or damage, such as theft of personal data, resulting from hacking or infection with viruses or other malware. Such negative developments need not actually occur to cause reputational damage, as even an incorrect perception among consumers can damage the Group's image and its business reputation.

The Group's brands are its primary asset and a key differentiator in key markets. If the Group is unable to maintain and enhance, in whole or in part, the strength of its brands, then its attractiveness to existing and potential customers may be impaired, which could have a material adverse effect on the Group's business, operating results financial condition and prospects.

1.14 The products of the Group may infringe the intellectual property rights of others

The Group will continually seek to improve its business processes and develop new products and applications. Although it is the Group's policy and intention not to infringe valid patents or intellectual property rights of others of which they are aware, there could be intellectual property rights that cover the Group's products, processes or technologies, and it is possible that the Group may be liable for infringement of such intellectual property rights. In such circumstances, the Group may be required to obtain licences from the owners of such rights, modify its processes or technologies or re-engineer its products to continue its manufacturing and sales activities with respect to one or more products that are found to be the source of the infringement. The Group may not be able to obtain the necessary licences on acceptable terms, or at all, or be able to modify its processes or technologies or re-engineer their products in a manner that is successful in avoiding infringement. Moreover, if the Group is sued for infringement and loses, it could be required to pay substantial damages and/or be enjoined from using or selling the infringing products or technology.

Although the Group believes that it lawfully complies with the intellectual property rights granted to others, it may be subject to claims asserted against it. These claims may harm the Group's

reputation, result in increased costs and limit the Group's ability to offer certain products or services. Any claims or litigation relating to intellectual property, regardless of whether or not the Group is found to have infringed any rights, could be time-consuming and costly, injure the Group's reputation or require the Group to enter into licensing arrangements (potentially on unreasonable terms if imposed by a court of law). An injunction may also be ordered against the Group, preventing it from continuing to use certain intellectual property. For certain products, the Group relies on third party intellectual property and is therefore exposed to the risk that its right to use such intellectual property may be modified or withdrawn, or the costs associated with continued access to that intellectual property could materially increase in the future.

Any of the foregoing could cause the Group to incur significant costs and prevent it from selling its products and this could have a material adverse effect on the business, financial condition and operating or financial results of the Group.

1.15 Uninsured losses, losses in excess of insurance coverage for certain risks and unanticipated changes in insurance costs or conditions attaching to insurance could have a material adverse effect on the Group

The Group's plant, equipment and other assets are insured for property damage and business interruption risks, and its business as a whole is insured for product liability risks. In addition, the Group carries director and officer liability insurance. However, such insurance may not cover all risks associated with the hazards of its businesses and is subject to limitations, including deductibles and maximum liabilities covered.

The Group may incur losses beyond these maximum limits or outside the coverage of their insurance policies. If this occurs, and there is any liability, the business, financial condition and operating or financial results of the Group could be materially adversely affected.

In addition, from time to time, various types of insurance for companies in the Group's industry has not been available on commercially acceptable terms or, in some cases, not been available at all. In the future, the Group may not be able to obtain coverage at current levels and/or the premiums and deductibles for certain insurance policies may increase significantly on the coverage that is currently maintained. If insurance is not available at commercially acceptable premiums, there is a risk that the Group's insurance coverage does not cover the full scope and extent of claims against them or losses incurred, including, but not limited to, claims for environmental or industrial accidents, occupational illnesses, pollution and product liability and business interruption.

Furthermore, the Group could be required to increase its debt or divert resources from other investments in their business to discharge an uninsured claim. Costs associated with unanticipated events in excess of insurance coverage, or a failure to maintain such coverage, could materially adversely affect the business, financial condition and operating or financial results of the Group.

1.16 The Group operates defined benefit and defined contribution pension schemes, and is exposed to funding risks in relation to such defined benefit and defined contribution pension schemes

The Group has defined benefit pension schemes in the UK, Italy, Germany, Japan and France. The UK defined benefit scheme was closed to future benefit accrual with effect from 31 July 2010. All UK employees of the Group are now offered membership of the defined contribution pension scheme. Other overseas subsidiaries have their own defined contribution schemes. The Group's pension plans are subject to legislative and regulatory requirements of applicable jurisdictions. The Group's pension costs and liabilities are materially affected by the discount rate used to measure pension obligations, the level of plan assets available to fund those obligations at the measurement date and the expected long-term rate of return on plan assets. If the market value of the assets declines or the value of the liabilities increases, the Group may be required to increase its contributions to its UK and overseas defined benefit schemes.

A variety of factors, including factors outside the Group's control, may adversely affect the value of the assets or liabilities, including interest rates, inflation rates, exchange rates, longevity risk, actuarial data, adjustments, regulatory changes and the strength of the employer covenant provided to the pension schemes by the Group. If these or other internal and external factors

were to become unfavourable, or more unfavourable than they currently are, the costs and net liabilities associated with the UK and overseas defined benefit schemes could increase substantially. Any change in key actuarial assumptions, such as the discount rate, would impact the valuation of pension obligations. Any decline in the fair values of the pension plans' assets could require additional payments by the Group in the longer term in order to maintain specified funding levels. Any decrease in interest rates will result in an increase of pension liabilities. The UK defined benefit scheme is in an actuarial surplus position at 5 April 2022 (the date of the last actuarial valuation report). As such, member and employer contributions to the scheme over the year to 31 December 2023 are expected to be £nil. However, there can be no certainty provided by the Group regarding any future valuations.

The Group cannot predict whether changing conditions will require it to make future additional contributions to the pension schemes in the longer term, or whether it will have the funds necessary to make minimum pension contributions at the times that they may be required if the contribution amounts increased. As a result, the Group may incur higher than expected costs or other liabilities associated with funding the pension plans in the longer term. In addition, the UK Pensions Regulator has extensive powers relating to UK pensions schemes, including the statutory power in certain circumstances to issue contribution notices or financial support directions that, if issued, could result in significant additional liabilities arising for the Group. Any requirements to make additional contributions to the Group's pension plans, increases in unfunded post-retirement healthcare liabilities in excess of those currently anticipated or changes to the regulatory or tax treatment of the Group's pension plans could reduce the funds available to meet the Group's other operating, investment and/or financing requirements, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.17 The Group is subject to collective bargaining or works council agreements with certain of its employees, and the failure to renew or renegotiate such agreements on acceptable terms or any labour disturbances could result in work stoppages or increased costs for the Group

The Group's business could be adversely affected by any significant disruption in relations with its employees. As at 30 June 2023, the Group employed approximately 1,700 employees in 10 countries. Approximately 600 of the Group's employees are covered by some form of collective bargaining arrangement at site or national level or a works council agreement. In addition, a significant portion of the Group's employees reside in countries, namely the United Kingdom and Italy, in which employment laws provide employees with significant bargaining power or other rights that may require the Group to spend more time and expenses when altering or amending employees' terms of employment or making staff reductions.

The Group may not be able to renew any such collective bargaining agreements or works council agreements on terms similar to current terms or renegotiate such agreements on acceptable terms. Additionally, in foreign jurisdictions where the Group operates, national unions and foreign governments may be unable to reach agreement, which could result in work stoppages that are out of the Group's control.

In addition, if a collective bargaining agreement or a works council agreement is negotiated at a higher than anticipated cost, such costs may need to be absorbed by the Group or passed through to customers in the form of higher prices, which may make the Group less competitive. Furthermore, a labour disturbance or work stoppage at any of the facilities of the Group as a result of any changes to employment terms and conditions or for any other reason could have a material adverse effect on that facility's operations and, potentially, on the business, financial conditions and operating or financial results of the Group.

1.18 Potential future impairments of intangible assets could have a material adverse effect on the Group's business, financial condition and results of operation

The Group evaluates goodwill and other intangible assets for impairment on an annual basis. Impairment is determined by assessing the recoverable amount of the segment to which the goodwill relates. The determination of recoverable amounts reflects numerous assumptions that are subject to various risks and uncertainties, including its projected future operating results and cash flows. This determination also reflects key assumptions about matters outside the Group's

control, such as market comparables. In making this determination, the Group must exercise significant judgment and make significant estimates, and as a result there is a risk the Group's actual results could differ materially from those judgments and estimates.

Several factors, including a challenging operating environment and the impact of the US Writers' and Actors' Strikes, impacts affecting consumer demand or spending or the deterioration of general macroeconomic conditions could result in a change to the future cash flows the Group expects to derive from its operations. Reductions of the cash flows used in the impairment analyses may lead the Group to re-evaluate the assumptions reflected in its current projections, resulting in the recording of an impairment charge to a reporting unit's tradename or goodwill.

A prolonged economic downturn, particularly in combination with the unknown impact of the US Writers' and Actors' Strikes, could materially affect the Group's future results by requiring it to record impairment charges with respect to some or all of this goodwill.

1.19 Necessary licences, certificates, approvals and permits for operations may not be renewed

The operations of the Group will be subject to various licences, certificates, approvals and permits in different foreign jurisdictions. There is no assurance that the Group will be able to renew their licences, certificates, approvals and permits upon their expiration. The eligibility criteria for such licences, certificates, approvals and permits may change from time to time and may become more stringent. In addition, new requirements for licences, certificates, approvals and permits may come into effect in the future. The introduction of any new and/or more stringent laws, regulation, licences, certificates, approvals and permits requirements relevant to the Group's business operations may significantly escalate compliance and maintenance costs, preclude continuing with existing operations or limit or prohibit business expansion. Such outcomes could adversely affect the business, financial condition and operating or financial results of the Group.

2. RISKS RELATING TO THE GROUP'S INDUSTRY

2.1 The performance of the Group's business is directly linked to general economic conditions and global geopolitical conditions, which may adversely affect the Group's business, financial condition, results of operations and prospects

A number of macroeconomic factors have an impact on the content creation industry and on the Group specifically. Economic conditions in the Group's source markets are a major driver of demand for its products and solutions. As the macroeconomic environment remains challenging, this significantly affects the Group's consumer segment which represents c.10 per cent. of the Group's revenue as at 30 June 2023, as well as the Group's ICC segment which represents c.35 per cent. of the Group's revenue as at 30 June 2023. Spending by consumers and customers on such products and solutions can be discretionary and competes with other expenses and, as a consequence, these factors can impact demand.

Market disruptions and significant economic downturns may develop quickly due to, among other things, crises affecting credit or liquidity markets, increasing unemployment rates, regional or global recessions, stagnant or declining wages, the increasing cost of living and increased interest rates, sharp fluctuations in commodity prices (including oil), currency exchange rates, changes in interest rates, changes in inter-bank lending rates, inflation or deflation, sovereign debt and bank debt rating downgrades, restructurings or defaults. The Group is exposed to a number of market risks, some of which are of a macro-economic nature, such as those described above, and some of which are more specific to the Group's industry, such as lower consumer spending. The Group's revenue is exposed to retail e-commerce and subscription TV, including video transmission and monitoring systems, camera accessories, lighting equipment, mobile power and supports and audio capture.

Deterioration in the economy and in default and recovery rates could also require the Group to increase allowances for impairments or write-offs, which, depending on the amount of the increase, could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. As the Group operates on a global scale, its operations and performance depend significantly on global market and economic conditions. Significant deterioration in the global economic environment, the industries in which the Group sells its products and services, or in the financial stability of one or more of the Group's major customers

could result in fewer new orders or cause customers to postpone or cancel contracts, which could result in lower revenue, profitability and cash flows and a reduction in the Group's order backlog.

Recent developments which have had a significant impact on macroeconomic conditions around the world, include the COVID-19 pandemic, the ongoing Russia-Ukraine Conflict, the Israel-Gaza Conflict, as well as the trade wars between China and the United States. The COVID-19 pandemic has had serious adverse economic consequences, including declining economic growth, numerous business insolvencies, and significantly increasing unemployment, resulting in decreased per capita income and disposable income. The COVID-19 pandemic has impacted the industry globally, and the virus and its consequences have had a material adverse effect on major economies, including the Group's major source markets such as the EU, the United States, and the United Kingdom. In addition, during the temporary closure of many film sets resulting from the COVID-19 pandemic, there was a material reduction in the volume of cine productions and scripted TV shows, and live events were rescheduled. Notably, the COVID-19 pandemic accelerated the shift to e-commerce, and customers looking for alternative sourcing arrangements. Such shifts require the Group to react promptly and failure to promptly adapt to such events may result in a loss of customers, and thereby reduce revenues of the Group.

The Russia-Ukraine Conflict and the sanctions and export-control measures instituted against Russian and Belarusian persons and entities by the United Kingdom, the EU, the United States, Canada and Japan, among others, have contributed and will likely continue to contribute to increased inflationary pressures (including increased prices for oil and natural gas), gas supply shortages, supply chain disruptions, market volatility and economic uncertainty. In April 2023, the World Bank warned that growth in 2023 may be weaker if the war caused by Russia's invasion of Ukraine escalates further. The discontinuation of sales by the Group to Russia as a consequence of the Ukraine conflict has had a moderate impact on its revenues (approximately £5 million per annum as at FY22) and is likely to continue to have an impact on the Group. In addition, the Israel-Gaza Conflict will also likely contribute to reduced global gross domestic product, increased inflationary pressures (including increased prices for oil and gas), supply chain disruptions, market volatility and economic uncertainty. As the Group currently owns assets and engages with persons in Israel, the current Israel-Gaza Conflict will likely have an impact on the Group. The Group cannot currently predict the extent or duration of the Russia-Ukraine Conflict or the Israel-Gaza Conflict or their direct or indirect impact on the Group's business, results of operations, cash flows and financial condition.

In addition, trade wars between China and the United States have increased tariffs on imports from China to the United States, and increased other restrictions on trade between these two countries, which has and may continue to impact imports or exports of the Group and which may materially increase the Group's operating costs. In addition, social media platforms such as TikTok are a headline issue in the tensions between the United States and China. If there is further restriction on the globalisation of certain media platforms, this could hinder growth of content creation, thereby adversely affecting sales volumes, revenues and margins of the Group.

Further, inflation rates have recently increased significantly globally, including in Europe and the United Kingdom. Further increases in inflation rates and actions taken by central banks and other state actors to combat rising inflation rates, such as recent increases in interest rates by the United States Federal Reserve, the European Central Bank and the Bank of England, could further undermine economic growth, contribute to regional or global economic recessions, cause declines in consumer spending and confidence, increase destocking, and increase borrowing costs, among other effects, each of which could materially adversely impact its business and financial results. Due to its debt, the Group is also affected by higher financing charges linked to increases in interest rates. In addition, a continued increase in interest rates over a longer period combined with a slower macroeconomic recovery may lead to slower revenue recovery by the Group.

The inflationary environment and related intensified general price increase, combined with a continued increase in interest rates, may continue and lead to a significant reduction in purchases of the Group's products and solutions, thus resulting in declining customer demand, and significantly impact its near-term growth rates. While the Group may increase product prices in order to mitigate the impact of inflation, competitive pressures may constrain its ability to do so, and so the Group may remain subject to market risk with respect to inflationary pressures. A failure to accurately anticipate higher inflation and factor it into the Group's product pricing

assumptions may also result in mispricing of its products, which could materially and adversely impact its operating results. There may also be a higher incidence of bad debt.

Periods of economic weakness or recession, high or increasing inflation, rising interest rates, fiscal or political uncertainty, market volatility, declining employment levels, declining consumer demand for related activities and services, disruption to the global capital or credit markets or the public perception that any of these events could occur or deteriorate, could lead to further economic instability, restricted access to debt and equity financing and counterparty defaults, which may negatively affect the performance of the Group's business.

2.2 The Group is subject to changes in the cost of labour and raw materials

The bulk of the Group's cost base comprises wages and salaries, raw materials and components and other services such as external audit/IT. The profitability of the Group's contracts will depend on its management of such costs and the ability to continue to offer competitive pricing to its customers while maintaining sufficient margins. The Group seeks to manage cost inflation through: (a) pricing reviews; (b) the management of substitutions to any forecast shortages and cost increases; and (c) continuing to drive greater purchasing efficiencies through supplier rationalisation and compliance. Any cost-saving initiatives undertaken by the Group could prove to be unsuccessful or not yield the anticipated results.

In some circumstances, the Group's ability to adjust prices in response to inflationary pressures is limited by price benchmarking and controls applied by both customers and brand partners. Costs could also increase as a result of an imposition of, or increase in, government-mandated minimum wages or subsidisation of health care costs for employees. Changes in utility regulations and applicable taxes, as well as increased costs imposed by external distributors in the Group's supply chain, may also increase the Group's cost base. A significant or sustained increase in input costs to which the Group is unable to respond through cost reduction measures or price increases could have an adverse effect on the Group's business, results of operations, financial condition and prospects.

2.3 The Group's results are affected by fluctuations in currency exchange rates

The Group's business operates in 10 countries worldwide and has to manage its exposure to a number of foreign currencies, the most significant being the US Dollar, Euro and Japanese Yen. The Group predominately manages such transactional exposures to foreign currency risks through the use of forward exchange contracts.

The global nature of the Group's business means it is exposed to volatility in currency exchange rates in respect of foreign currency denominated transactions, and the translation of net assets and income statements of foreign subsidiaries and equity accounted investments. The Group is exposed to translation risk because its reporting currency is sterling and hence fluctuations in foreign exchange rates impact the consolidation into sterling of foreign currency denominated assets, liabilities and earnings. The Group is exposed to economic risk because it expects fluctuations in foreign exchange rates to impact the overall cash flow generated by its business and ultimately its likely market valuation.

The Group has some exposures to transaction risk. Whilst supply chains are predominately local and consequently in local currencies, there are some exceptions around the Group where suppliers are located in different countries or landlords prefer payment in a non-domestic currency. The realisation of any of these risks could have a material adverse effect on the Group's business, results of operations and financial condition.

2.4 The seasonality of the Group's businesses and timing of major events could negatively impact the Group's operations

The Group's business is seasonal in nature and is subject to seasonal peaks associated with festive period and end-of-year promotions (such as Black Friday). Consumer-oriented products for special events are an important part of the Group's sales mix. The Group has historically performed more strongly in terms of higher sales and operating profits during the second half of the financial year (being the six months to 31 December) as it includes these seasonal periods. Variations to seasonal peaks, which are outside of the Group's control, have affected and will continue to affect the Group's results.

The Group's business is also partly subject to sales and order peaks as a result of key events, such as the US presidential elections, the FIFA World Cup and the Olympic games. These peaks in revenue have generally been influenced by higher than average levels of demand in the Group's products and services in the period immediately prior to, and during, these key events. If sales during peak seasonal periods are significantly lower than expected for any reason, the Group may be unable to adjust its expenses in time to react to reduced levels of sales. To the extent that the Group is not able to identify and adjust for changes in expectations or is confronted with negative conditions that inordinately impact seasonal norms, the Group's business and financial results may be adversely affected.

2.5 The Group operates in highly competitive markets

The manufacturing and distribution of products and solutions to the film and content creation markets in which the Group operates is highly competitive. This is fragmented with different competitors in each market segment. Such competitors may improve their competitive position by successfully introducing new products, improving their manufacturing processes or expanding their capacity or manufacturing facilities, and offering cheaper products. The Group may be unable to keep pace with competitors' products and manufacturing process innovations and efficiencies.

Competition between manufacturers and distributors can result in significant pressure on prices which may adversely affect sales volumes, revenues and margins. Moreover, in response to changes in demand for products in a declining price environment, competitors of the Group may price their products more aggressively in order to retain market share, which can result in an adverse market environment in the short-term until the market reaches a new equilibrium. All of this may in turn adversely affect the business, financial condition and operating or financial results of the Group. In addition, if the markets for the products of the Group expand, there may be an increase in new competitors and existing competitors may commit more resources to the markets in which the Group will operate, further enhancing existing competition. The resulting pressure of increased competition on margins could materially adversely affect the business, financial condition, operating or financial results and cash flow of the Group.

2.6 The Group's operations could be impacted by extreme weather events, rising temperatures and other physical impacts of climate change. In addition, the Group could incur significant costs seeking to mitigate its environmental impact and in responding to regulations designed to mitigate climate change

There are a number of significant transition and physical risks associated with the impact of climate change which could affect the Group's operations and incur costs. Transition risks, which may increase over time as the global economy decarbonises, impact all businesses and are the most significant climate related risk to the Group. The Group is exposed to the following transition risks as it progresses towards its net zero targets:

- *Policy and legal risk:* Capital and operating expenses required in order to comply with environmental laws and regulations, such as the adoption of the Task Force on Climate-Related Financial Disclosures recommendations, can be significant. In addition, new regulations such as the EU Carbon Border Adjustment Mechanism regulation and/or legislation changes relating to environmental matters could give rise to additional costs.
- *Markets risk:* Additional operating costs for the Group may be incurred as a result of increased energy prices and cost of raw materials. In addition, changing customer preferences towards sustainable products means that the Group's position in the market may be at risk if it does not evolve its products and services to reflect sustainability developments.
- *Reputation risk:* As the sustainability credentials of a company becomes increasingly important among stakeholders, a failure by the Group to communicate its ESG strategy and plans to reduce its carbon emissions could result in low investment opportunities and potential damage to its reputation.

Physical risks resulting from climate change can be driven by a specific extreme weather event or by gradual shifts in climate patterns, such as global warming. The Group is exposed to the following physical risks:

- *Acute risk:* Increased frequency of natural disasters including flooding, wildfires and heatwaves may impact the Group's sites, causing severe damage to property, plant and equipment as well as disruptions to logistics and key supply chain operations. This may concurrently result in an overall increase in insurance premiums. The Group's suppliers, many of which are located across high-risk locations, may also be impacted by increasing frequency and intensity of weather events. This may delay the shipment of components, which could jeopardize the fulfilment of large orders or lead them to be cancelled. In addition, extreme weather events may result in higher working capital due to increased buffer stock needs and disruption to logistics, as the Group is no longer able to rely on just-in-time operations.
- *Chronic risk:* Long-term shifts in climate patterns such as rising mean temperatures, sea level rise and water stress may result in increased costs for the Group. Increased rising mean temperatures may cause a higher demand for cooling to maintain optimum temperatures for the Group's staff and products, resulting in higher energy costs. There may also be an impact on productivity, for example, having to arrange break times, or health and safety concerns. In addition, rising sea levels may result in damage to ports along key supply chain routes, resulting in delays and increased costs for the Group.

3. RISKS RELATING TO REGULATION AND LEGISLATION

3.1 Failure to comply with existing regulations, or the introduction of changes to existing laws and regulations, could have a material adverse effect on the Group's business, financial condition, results of operations and prospects

The Group's operations are subject to government regulations in the jurisdictions in which it operates and are subject to complex, overlapping and rapidly evolving laws, regulations and licensing requirements, which are administered by a large number of regulatory and enforcement authorities at an international, national and local level. The laws and regulations governing the Group's industry have become increasingly complex across a number of jurisdictions and in a wide variety of areas, including, among others, sanctions, labour, employment, immigration, security, health and safety, competition and antitrust, consumer protection (including data protection), tax and the environment.

The Group is required to comply with the provisions of the UK Bribery Act 2010 ("**Bribery Act**") and legislation aimed at preventing the facilitation of tax evasion, as well as the local equivalent laws in the territories in which the Group operates. Any failure by the Group's employees and agents to comply with the Bribery Act and applicable laws and regulations in foreign jurisdictions, including those relating to anti-competitive behaviour and breaches of trade sanctions, could result in substantial civil and criminal penalties or restrictions on the Group's ability to conduct business in certain foreign jurisdictions or reputational damage, and the Group's business, financial condition and operating or financial results could be materially adversely affected.

The Group is also required to comply with data protection laws in the jurisdictions in which it operates. The Group processes personal data (such as name, address, age, bank and credit card details and other personal data) from its employees, customers, brand partners, clients and other business contacts as part of the operation of its business, and therefore must comply with applicable data protection and privacy laws. The Group is subject to the General Data Protection Regulation (EU) 2019/679 (as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018 and implemented through the Data Protection Act 2018) (the "**GDPR**"), in effect since 25 May 2018, which requires the ability to evidence compliance against a large number of mandatory obligations relating to personal data processing activities including being able to respond to an increased range of data subject rights and mandatory personal data breach response reporting. Those laws generally impose certain requirements on the Group in respect of the collection, retention, use and processing of such personal information. Failure to comply with such data privacy laws and regulations may lead to complaints by individual data subjects, investigations by regulators, fines, penalties, claims and reputational damage.

In addition, as the data protection landscape evolves the Group will need to ensure its controls are kept up to date, but may be unable to invest on an ongoing basis to ensure such controls are current and adequate to keep pace with the growing threat. The GDPR may also increase the potential sanctions for breach of such regulations as the GDPR includes significant financial penalties up to the higher of 4% of the annual worldwide turnover of company groups or £17.5 million. Ensuring compliance with the GDPR is an ongoing process and it is possible that, despite the Group's efforts, supervisory authorities or other third parties will assert that the Group's practices do not comply with aspects of the GDPR.

The COVID-19 pandemic has resulted in an additional compliance burden due to an increased focus on good governance. Reduced staffing, increased remote working and employees placed on furlough, and an increase in reliance on external advisors, carries a higher data security risk and has led to an increased risk of non-compliance with government laws and regulations. The level and complexity of the regulations to which the Group is subject are likely to increase, which could increase the cost of regulatory compliance, divert management attention and negatively impact the Group's operating efficiency.

Any failure or suspected failure to comply with any of these regulations may result in increased regulatory scrutiny through inquiries or investigations, increased costs of compliance for, among other things, employee screening and increased insurance costs. Training employees and investing in and implementing systems to remain in compliance with applicable laws and regulations also imposes additional costs for the operation of the Group's business. The Group could also be subject to governmental and private civil remedies, including fines, penalties, damages, injunctions, disciplinary actions, recalls or seizures and loss of licences, as well as potential criminal sanctions, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

3.2 The Group is subject to increasingly stringent health, safety and environmental laws and regulations (including relating to the manufacture and production of the Group's products), which could result in increased costs and fines, as well as the potential for reputational damage, and may impact demand for such products

The Group is subject to an array of health, safety and environmental laws and regulations at the international, national and local level in multiple jurisdictions that govern its facilities and operations, including for example the Health and Safety at Work etc. Act 1974, US Occupational Safety and Health Administration rules and the Registration, Evaluation, Authorisation and Restriction of Chemicals (Regulation (EC) No. 1907/2006) (as amended and updated from time to time), which has also been substantially integrated into United Kingdom domestic law by virtue of REACH etc. (Amendment etc.) (EU Exit) Regulations 2019.

The Group currently has active manufacturing facilities located in a number of locations, which includes the United Kingdom, Italy, Costa Rica and the United States. In particular jurisdictions, including the United Kingdom, the United States and the European Union, these types of regulatory controls and restrictions have become increasingly demanding and it is expected that this trend will continue.

Such health, safety and environmental laws and regulations govern activities including the manufacture, storage, handling, treatment, transportation and disposal of wastes, operation and closure of landfills, human health and safety, process safety and risk management and fire safety and are present in all of the jurisdictions in which the Group operates. Some of the Group's processes include the use of chemical and hazardous waste, including but not limited to: acids, paints and dust from manufacturing processes. Specific risk areas include the use of forklift trucks, manual handling and machining activities. In addition, certain employees and contractors also work as riggers for major sporting events, which presents additional health and safety risks.

Changes in environmental, health and safety regulations in jurisdictions where the Group manufacture and sell their respective products could lead to a decrease in demand for these products. In addition, changes in regulations and health and safety concerns could increase the costs incurred by customers to use the Group's products and otherwise limit the use of these products, which could lead to decreased demand for these products. Such a decrease in demand likely would have an adverse effect on the business, financial condition and operating or financial results of the Group.

If the Group does not accurately predict or make adequate provision for the amount or timing of costs of any future compliance or if the Group misinterprets its obligations under any of these regulatory changes, it may find themselves in violation of laws, regulations or permits. Whilst the Group believes it has appropriate policies and procedures in place, given the continually evolving regulatory landscape, violations of environmental, health and safety requirements, whether current or future, may result in substantial fines or penalties, the imposition of other civil or criminal sanctions, clean-up costs and other remediation or restoration requirements. In addition, such violations may result in claims to the Group for personal injury or property damages or restrictions on, or the suspension of, operating permits or activities. The impact on the business of the Group or its financial condition or results of operations in any period in which such costs need to be incurred could be material.

Further, these health, safety and environmental laws and regulations impose a significant administrative obligation on the Group, as managers and employees have to devote significant time to compliance with these requirements and therefore have less time to dedicate to the business. If additional or more stringent requirements were to be imposed in the future, it would increase this burden, which could have a material adverse effect on the Group's business, operating results (as a result of increased costs or lower revenues), financial condition and prospects.

3.3 The Group may become involved in legal proceedings from customers, employees, suppliers, third-parties and others in the ordinary course of business, which could result in material settlements, fines or penalties and may adversely impact the Group's business, results of operations and financial condition

The Group may become subject to claims and actions incidental to its business operations in the ordinary course, including with clients, customers, suppliers, employees, regulators and tax authorities, the outcome of which may not always be predictable and which could result in material settlements, fines or penalties. For example, customer claims relating to the use of products and software, product recalls and product quality are not uncommon in a manufacturing sector. The occurrence of products recalls could negatively impact the price and availability of products, potentially resulting in disruptions in the supply chain, significantly increased costs and reduced margins—as well as causing reputational damage. Claims can also be made against the Group by clients, suppliers, contractors, consultants and other third parties with whom the Group does business, for breach of contract or otherwise. The Group could also face the risk of claims of illness, injury or death relating to public liability, given the provision of services by the Group for sporting events and other large projects which creates a public liability risk due to the use of specialist cameras and rigging equipment. In addition, there may be a risk of employment claims based on, among other things, discrimination, harassment, wrongful termination and issues such as rest breaks, meal breaks, overtime compensation, allocation of gratuities among staff and holiday pay.

Furthermore, in circumstances where the Group has sold businesses, it has given (where appropriate) certain warranties and indemnities to the purchasers of such businesses and may have other exposure to third parties in respect of the disposed business, including for example any undischarged guarantee and indemnity arrangements or other undertakings. A breach of such warranties and indemnities by the Group or any crystallisation of other third-party liabilities could give rise to contractual or other claims and litigation and expose the Group to material losses.

Regardless of whether a claim is successful, involvement in high profile litigation can cause reputational damage to the Group (which could in turn impact the Group's ability to successfully tender for new business), as well as diverting financial resources and the attention of key personnel away from the operation of the business. If one or more large claims were successful, or if there is a significant increase in the number of claims, the financial consequences and the adverse publicity could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

3.4 Failure to comply with employment laws and regulations, including those relating to immigration, may adversely affect the business

The Group had approximately 1,700 employees as at 30 June 2023 in 10 countries. It regularly attracts and retains overseas employees who require visas and/or work permits to work in the country in which they are employed. The Group is subject to various regulations governing its relationships with its employees, including such matters as minimum wage requirements, the treatment of part-time workers, employers' national insurance or social security contributions, overtime and other working conditions. In addition, the Group employs a number of contractors, and there is a risk they may be deemed to be de facto employees if controls are not managed and monitored regularly. A failure to comply with one or more regulations could result in the imposition of sanctions, third-party litigation or result in reputational damage to the Group, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Additionally, failure by the Group to comply with immigration laws and regulations in any of the countries in which it operates could result in financial or other sanctions. Immigration laws and regulations are subject to legislative and administrative changes as well as changes in their application standards and enforcement. The operations of the Group may be adversely affected if changes in immigration laws or regulations impair its ability to hire overseas personnel. This could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

3.5 Risks associated with antitrust or other regulatory investigations

The Group has an established mergers and acquisition track record. Future acquisition opportunities and mergers may require approvals from antitrust authorities under antitrust regulation in force at the time in any one of a number of jurisdictions. If such approvals of a proposed acquisition or merger prove necessary, approval may require, based on the relevant antitrust authority's evaluation of prevailing market conditions and the Group's position in the market, that they divest certain businesses in order to carry out the transaction or they may be prohibited from carrying out the transaction.

Any of these factors could materially adversely affect the ability of the Group to execute its strategy and their business, financial condition and operating or financial results. The participation of the Group in the international market places for raw materials may be subject to scrutiny by antitrust regulators and other regulatory bodies under antitrust legislation.

3.6 Risks relating to exposure to additional tax liabilities

Due to the global nature of the business of the Group, it is subject to income taxes in multiple jurisdictions. Significant judgment and estimation are required in determining worldwide provision for income taxes. In the ordinary course of the business of the Group there are various transactions and calculations, including intercompany transactions and cross-jurisdictional transfer pricing, for which the ultimate tax determination is uncertain or otherwise subject to interpretation. As for most multinationals, the current tax environment is creating increased levels of uncertainty and the Group is potentially subject to tax audits in many jurisdictions. By their nature these are often complex and could take a significant period of time to be agreed with the tax authorities. The Group estimates and accrues taxes that will ultimately be payable when reviews or audits by tax authorities of tax returns are completed. These estimates include management judgments about the position expected to be taken by each tax authority, primarily in respect of transfer pricing as well as in respect of financing arrangements and tax credits and incentives. The final determination of any such tax audits could differ from historical income tax provisions and accruals and any additional tax liabilities resulting from such final determination could have a material adverse effect on the business, financial condition and operating or financial results of the Group. It is difficult to assess in advance the likelihood of any adverse final judgments or outcomes arising out of any proceedings with national or regional tax authorities to which the Group is or may in the future be subject.

In addition, changes in tax legislation or guidance could affect the tax rate, the carrying value of deferred tax assets or the deferred tax liabilities of the Group. Any tax audit, tax proceeding or

changes in tax legislation or guidance could, as a result of any of the above risks, materially adversely affect the business, financial condition and operating or financial results of the Group.

3.7 The Group is exposed to the risk of fraud and other dishonest activity

While the Group has checks and controls in place at its business, there remains the potential for fraud and other dishonest activity within the business and the risk of fraud or dishonest activity affecting the Group or the Group's customers in the future cannot be excluded. The Group may be exposed to fraud including misappropriation of assets, social engineering by an external or internal person, fraudulent financial reporting, collusion, bribery or other fraud scheme. The current restructuring activity may lead to possible disruption to the internal controls which may increase the risk of fraud. It is possible that the internal controls and processes that the Group have in place to prevent and detect fraud may be inadequate. Any fraud incident or dishonest activity affecting the Group may result in financial losses, a loss of customer trust and confidence, as well as litigation or financial or other regulatory penalties being imposed, any of which may have a material adverse effect on the Group's businesses, results of operations, financial condition or prospects.

4. RISKS RELATING TO THE CAPITAL RAISING AND THE SHARES

4.1 The market price of the New Ordinary Shares could be subject to volatility

The market price of the New Ordinary Shares could be subject to significant fluctuations due to a change in sentiment in the market regarding these securities. These fluctuations could result from national and global economic and financial conditions, market perceptions of the Group and its industry and various facts and events, including regulatory changes affecting the Group's operations, market appraisal of the Group's strategy, changes to the Group's credit rating, variations in the Group's operating results and/or business developments of the Group and/or its competitors. Furthermore, the Group's operating results and prospects from time to time may be below the expectations of market analysts and investors. Any of these events could result in a decline in the market price of the New Ordinary Shares.

The Company also has a number of major Shareholders with material holdings in the Company, and the holdings of some of these Shareholders may further increase as a result of the Capital Raising. If any of these Shareholders were to choose to sell their Ordinary Shares, this could cause material fluctuations in the value of the Ordinary Shares.

4.2 Most Shareholders will experience dilution in their ownership of the Company as a result of the Capital Raising and the Director and Senior Management Subscriptions

Most Shareholders' economic and proportionate voting rights in the Company will be reduced as a result of the Capital Raising. In particular, if a Qualifying Shareholder who is not a Placee does not take up their Open Offer Entitlements, such Qualifying Shareholder's holding, as a percentage of the Enlarged Share Capital, will be diluted by 50 per cent. as a result of the Capital Raising and the Director and Senior Management Subscriptions. If a Qualifying Shareholder who is not a Placee takes up their Open Offer Entitlements in full, such Qualifying Shareholder's holding, as a percentage of the Enlarged Share Capital, will be diluted by 30 per cent. as a result of the Firm Placing and the Director and Senior Management Subscriptions. Certain Qualifying Shareholders are excluded from the Capital Raising, including, among others, all Shareholders in the United States (subject to certain exemptions) and the Excluded Territories and will therefore experience dilution as a result of the Capital Raising and the Director and Senior Management Subscriptions.

4.3 The market price for the New Ordinary Shares may decline below the Offer Price and Shareholders may not be able to sell New Ordinary Shares at a favourable price after the Capital Raising

There is no assurance that the public trading market price of the New Ordinary Shares will not decline below the Offer Price. If that occurs, Qualifying Shareholders will suffer an immediate unrealised loss as a result, which may be significant. Therefore, the Offer Price at the time of the Capital Raising may not be indicative of the market price for the Ordinary Shares after the Capital Raising has been completed. The market price of the Ordinary Shares may fluctuate, depending upon many factors beyond the Group's control.

The market price of the Ordinary Shares is also subject to fluctuations in response to the Capital Raising and the investor perception of the success and impact of the Capital Raising. In particular, the market price of the Ordinary Shares is largely dependent on the Offer Price. A significant drop in the market price of the Ordinary Shares, such that the market price of the Ordinary Shares becomes equal to or lower than the Offer Price, would therefore also adversely affect the value of the New Ordinary Shares. Videndum cannot assure investors that the market price of its Ordinary Shares will not decline. Should the market price of Ordinary Shares decline below the Offer Price after a Shareholder has decided to purchase New Ordinary Shares, which cannot be revoked or modified except as provided for in section 6 of Part VII (*Terms and Conditions of the Capital Raising*), that Shareholder will suffer an immediate unrealised loss as a result. Moreover, the Group cannot assure that a Shareholder will be able to sell the New Ordinary Shares at a price equal to or greater than the Offer Price.

Other than in connection with the Capital Raising or pursuant to employee share plans, the Group has no current plans for a subsequent offering of Ordinary Shares in the next 12 months. However, it is possible that the Group may decide to undertake such an offering in the future. An additional offering could have an adverse effect on the market price of the outstanding New Ordinary Shares.

4.4 The Company's ability to pay dividends to Shareholders is currently restricted and the making of any such payments in the future is not guaranteed

As announced by the Company in its 2023 Half Year Results, in view of the impact of the US Writers' and Actors' Strikes, combined with the current macroeconomic conditions, on the Group's performance, and to give the Group increased headroom in relation to its borrowing facilities, Videndum announced that no interim dividend has been declared. The Company will look to reinstate a dividend when appropriate to do so.

Further, under English company law, a company can only make distributions to the extent that it has distributable reserves available for this purpose. As a holding company, the Company's ability to make distributions in the future is affected by a number of factors, principally its ability to receive sufficient dividends from its subsidiaries. These requirements could limit the payment of dividends and distributions to the Company by its subsidiaries, which could in the future restrict the Company's ability to make distributions to Shareholders.

4.5 It may not be possible to effect service of process upon the Company or the Directors or enforce court judgments against the Company or the Directors and the ability of Overseas Shareholders to bring actions or enforce judgments against the Company or its Directors may be limited

The Company is a public limited company incorporated in England and Wales. As a result, the rights of Shareholders are governed by English law and the Articles of Association and may differ from the rights of shareholders in typical US corporations. In addition, the ability of Overseas Shareholders to bring an action against the Company may be limited under English law, and it may not be possible for investors outside of the UK to effect service of process outside the UK against the Company or the Directors, or to enforce the judgment of a court outside the UK against the Company or the Directors. Likewise, Overseas Shareholders may not be able to enforce any judgments under the securities laws of countries other than the UK against the Directors who are residents of the UK or countries other than those in which judgment is made, and English or other courts may not impose civil liability on the Directors in any original action based solely on foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction.

4.6 Overseas Shareholders may not be able to acquire New Ordinary Shares in the Capital Raising

Securities laws of certain jurisdictions may restrict the Company's ability to allow participation by certain Shareholders in the Capital Raising or any future issue of Ordinary Shares. In particular, and subject to certain limited exceptions, Shareholders who are located in the US will not be able to exercise their rights in the Capital Raising or on a future issue of Ordinary Shares unless a registration statement under the US Securities Act is effective with respect to the Ordinary Shares or an exemption from the registration requirements is available under the US Securities Act. The

New Ordinary Shares and the Open Offer Entitlements have not been and will not be registered under the US Securities Act. There will be no public offering of the New Ordinary Shares or the Open Offer Entitlements in the United States. As a result, subject to certain limited exceptions, Shareholders who are located or resident in the United States will be excluded from participating in the Capital Raising, and Videndum may in its sole discretion refuse to allow any such Shareholders to take up New Ordinary Shares. Accordingly, such Shareholders will suffer dilution and may not be fully compensated for such dilution, as described in the Risk Factors at paragraph 4.2 above. In addition, Videndum may not file any such registration statements for any future issue of Ordinary Shares, and an exemption to the registration requirements of the US Securities Act may not be available in any case. In such an event, Shareholders with a registered address, or who are located, in the United States would be unable to participate in such an issue.

Securities laws of certain other jurisdictions may restrict the Company's ability to allow participation by Shareholders in such jurisdictions in any future issue of shares carried out by the Company.

Qualifying Shareholders who have a registered address in or who are incorporated, registered, resident or located in countries other than the UK should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to acquire New Ordinary Shares. Any Shareholder who is not entitled to participate in the Capital Raising or any future issue of Ordinary Shares carried out by the Company will suffer dilution.

4.7 Investors in the New Ordinary Shares may be subject to exchange rate risk

The New Ordinary Shares are priced in pounds sterling. Accordingly, any investor outside the United Kingdom is subject to adverse movements to their local currency against pounds sterling.

PART II IMPORTANT NOTICES

1. GENERAL

The contents of this document are not to be construed as legal, business or tax advice. Each prospective investor should consult his or its own legal, financial or tax adviser for legal, financial or tax advice. In making an investment decision, each investor must carry out their own examination and analysis of Videndum and the terms of the Capital Raising, including the merits and risks involved.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G of FSMA and PR 3.4.1 of the Prospectus Regulation Rules, neither the publication of this document nor any distribution of the New Ordinary Shares shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Group taken as a whole since the date of this document or that the information contained herein is correct as at any time subsequent to its date.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representation must not be relied upon as having been so authorised by the Company, the Directors, the Group, the Sponsor, any of the Joint Bookrunners or any other person involved in the preparation of this document. Any decision to invest in the New Ordinary Shares should be based on a consideration of this document as a whole by the investor. No representation or warranty, express or implied, is made by the Company, the Directors, the Group, the Sponsor, any of the Joint Bookrunners or any other person involved in the preparation of this document as to the accuracy or completeness of such information or representation. Nothing contained in this document is, or shall be relied upon as, a promise or representation by the Company, the Directors, the Group, the Sponsor, any of the Joint Bookrunners or any other person involved in the preparation of this document as to the past, present or future.

2. NO INCORPORATION OF WEBSITES

The contents any's website (<https://www.Videndum.com/>) and the contents of any website accessible from hyperlinks on such website (other than the information as set out Part XIV (*Documents incorporated by reference*)) do not form part of this document and no one should rely on them.

3. FORWARD-LOOKING STATEMENTS

This document may contain projections and other forward-looking statements. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'may', 'should', 'will', 'continue' or, in each case, their negative and other variations or other similar or comparable words and expressions. All statements other than statements of historical facts included in this document, including, without limitation, those regarding the Company's financial position, business strategy, potential plans and potential objectives, are forward-looking statements. Such forward-looking statements may involve known and unknown risks, uncertainties and other factors, including the Risk Factors set out in Part I (*Risk Factors*), which may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate. Such forward-looking statements relate to future events or the future performance of the Company and the Group but do not seek in any way to qualify the Working Capital Statement.

None of the Company, its officers, advisers, or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur, in part or in whole.

The forward-looking statements in this document speak only as at the date of this document. To the extent required by applicable law or regulation (including as may be required by the Companies Act, the Prospectus Regulation Rules, the Listing Rules, MAR, the Disclosure Guidance and Transparency Rules and FSMA), the Company will update or revise the information in this document. Otherwise, neither the Company, the Sponsor nor the Joint Bookrunners assume any obligation to update or

provide any additional information in relation to such forward-looking statements. Additionally, statements of the intentions or beliefs of the Board and/or the Directors reflect the present intentions and beliefs of the Board and/or Directors, respectively, as at the date of this document and may be subject to change as the composition of the Board alters, or as circumstances require.

4. NO FORECASTS OR ESTIMATES

Nothing in this document is intended as a profit forecast or estimate for any period and no statement in this document should be interpreted to mean that earnings or earnings per share or dividend per share for the Company for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share or dividend per share for the Company.

Videndum announced on (a) 28 February 2023 in its 2022 full year results; and (b) 22 March 2023 in its 2022 Annual Report and Accounts, that it expected “*stable FY 2023 adjusted profit before tax* compared to FY 2022, with higher operating profit offset by increased interest charges*”. This statement published by the Company on both 28 February 2023 and 22 March 2023 is considered to be a profit forecast.

In its update announcement and annual general meeting announcement and presentation published on 2 May 2023 and 11 May 2023 respectively, shortly after the commencement of the WGA strike, the Company stated that if there was a prolonged writers’ strike, the Group’s general performance for the financial year ended 2023 was expected to be below its previous expectations. In its 2023 Half Year Results dated 26 September 2023, the Company stated that, despite encouraging news about the US Writers’ and Actors’ Strikes, it was not clear when productions would restart and that it was therefore difficult to provide financial guidance. Consistent with the announcements on 2 May 2023, 11 May 2023 and 26 September 2023, the Board considers that the US Writers’ and Actors’ Strikes have had a material impact on the profit forecast made on 28 February 2023 and 22 March 2023.

Accordingly, the profit forecast made on 28 February 2023 and 22 March 2023 as described above is no longer valid.

5. PRESENTATION OF FINANCIAL INFORMATION

The historical and other financial information presented in this document has been extracted without material adjustment from the Historical Financial Information detailed in Part IX (*Historical Financial Information*) incorporated by reference and as set out in Part XIV (*Documents incorporated by reference*), with the exception that the financial information relating to the income statement throughout this Prospectus relating to the year ended 31 December 2022 has been re-stated to present discontinued operations separately from the continuing operations as extracted from the 2023 Half Year Results.

The 2023 Half Year Results and the 2022 Annual Financial Statements are presented in pounds sterling. The 2022 Annual Financial Statements have been prepared in accordance with UK-adopted International Accounting Standards as applied in accordance with the provisions of the Companies Act 2006 and IFRS as issued by the IASB.

The historical and other financial information presented in this document does not and is not intended to comply with the requirements of Regulation S-X under the US Securities Act and the rules and regulations of the SEC promulgated thereunder.

Prospective investors should consult their own professional advisers to gain an understanding of the financial information contained in this document.

6. ALTERNATIVE PERFORMANCE MEASURES

This document contains certain alternative performance measures (“**APMs**”) that are not defined or recognised under IFRS, which are set out below. APMs should not be considered in isolation and investors should not consider such information as alternatives to revenue, profit before tax or cash flows from operations calculated in accordance with IFRS, as indications of operating performance or as measures of the Group’s profitability or liquidity. Such financial information must be considered only in addition to, and not as a substitute for or superior to, financial information prepared in accordance with IFRS included elsewhere in this document. Investors are cautioned not to place undue reliance on these APMs and are also advised to review them in conjunction with (i) the 2022 Annual Financial Statements and (ii) 2023 Half Year Results.

Adjusted Basic Earnings Per Share

Calculated as adjusted profit after tax divided by the weighted average number of ordinary shares outstanding during the period.

Adjusted Operating Profit

Calculated as profit before tax, before net finance expense, and before adjusting items (as defined below). This is a key management incentive metric. Adjusting items include non-cash charges such as amortisation of intangible assets that are acquired in a business combination, and effect of fair valuation of acquired inventory and property, plant and equipment. Cash charges include items such as transaction costs, earnout, retention and deferred payments, and significant costs relating to the integration of acquired businesses.

“Adjusting items”

The following are the Group’s principal adjusting items when determining Adjusted Operating Profit:

- amortisation of intangible assets that are acquired in a business combination;
- impairment charges;
- acquisition related charges:
 - o earnout charges and retention bonuses agreed as part of the acquisition;
 - o transaction costs;
 - o effect of fair valuation of acquired inventory;
 - o effect of fair valuation of property, plant and equipment;
 - o grant payments in excess of the liability recognised on acquisition;
- integration and restructuring costs; and
- finance expenses (amortisation of loan fees on borrowings for acquisitions).

Other adjusting items include (i) profit/loss on disposal of businesses; (ii) past service charges associated with defined benefit pensions, such as gender equalisation of guaranteed minimum pension for occupational schemes; and (iii) other significant initiatives not related to trading.

In addition to the above, the current and deferred tax effects of adjusting items are taken into account in calculating post-tax APMs. In addition, the following are treated as adjusting items when considering post-tax APMs:

- significant adjustments to current or deferred tax which have arisen in previous periods but are accounted for in the current period; and
- the net effect of significant new tax legislation changes.

Adjusted profit before tax

Calculated as profit before tax, before adjusting items.

Adjusted profit after tax

Calculated as profit after tax before adjusting items.

Constant currency

Constant currency variances are derived by calculating the current year amounts at the applicable prior year foreign currency exchange rates, excluding the effects of hedging in both years. Revenue growth is represented on a constant currency basis as this best represents the impact of volume and pricing on revenue growth.

Net Debt

Net Debt comprises the following:

- cash and cash equivalents (cash on hand and demand deposits at banks);

- bank overdrafts that are payable on demand;
- interest-bearing loans and borrowings; and
- lease liabilities.

7. CURRENCY PRESENTATION

Unless otherwise indicated, all references in this document to “£”, “pounds”, “pounds sterling” are to the lawful currency of the United Kingdom and references to “pence” or “p” represent pence in the lawful currency of the United Kingdom.

Unless otherwise indicated, all references in this document to “EUR”, “€” or “euro” are to the lawful currency in the Member States of the European Union that have adopted the single currency introduced in application of the European Economic Community Treaty.

Unless otherwise indicated, all references in this document to “\$”, “USD”, or “US dollar” are to the lawful currency of the United States.

8. ROUNDING

Certain numerical figures contained in this document, including financial information, market data and certain operating data, have been subject to rounding adjustments for ease of presentation. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables may not conform exactly to the total figure given for that column or row or the sum of certain numbers presented as a percentage may not conform exactly to the total percentage given.

9. MARKET AND INDUSTRY INFORMATION

Unless the source is otherwise stated, the market, economic and industry data in this document constitute the Directors’ estimates, using underlying data from independent third-parties. Market data and certain industry data and forecasts included in this document have been obtained from internal company surveys, market research, consultant surveys, publicly available information, reports of governmental agencies and industry publications and surveys. Estimates based on this data involve risks and uncertainties and are subject to change based on various factors.

10. THIRD-PARTY INFORMATION

The Company confirms that all third-party data contained in this document has been accurately reproduced and, so far as the Company is aware and able to ascertain from information published by that third-party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where third-party information has been used in this document, the source of such information has been identified. While industry surveys, publications, consultant surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, the accuracy and completeness of such information is not guaranteed. The Company has not independently verified any of the data from third-party sources, nor has the Company ascertained the underlying economic assumptions relied upon therein. Statements as to the Group’s market position are based on recently available data.

11. ENFORCEMENT OF CIVIL LIABILITIES

The ability of an Overseas Shareholder to bring an action against the Company may be limited under law. The Company is a public limited company incorporated in England and Wales. The rights of holders of Ordinary Shares are governed by English law and by the Articles of Association. These rights differ from the rights of shareholders in typical US corporations and some other non-UK corporations.

An Overseas Shareholder may not be able to enforce a judgment against some or all of the Directors and executive officers. The majority of the Directors and executive officers are residents of the United Kingdom. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon the Directors and executive officers within that shareholder’s country of residence or to enforce against the Directors and executive officers judgments of courts of that shareholder’s country of residence based on civil liabilities under that country’s securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or

any judgments under the securities laws of countries other than the United Kingdom against the Directors or executive officers who are residents of the United Kingdom or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on the Directors or executive officers in any original action based solely on the foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in England or other countries.

In addition, a significant portion of the Company's assets are located outside of the United States. As a result, it may be difficult for investors to effect service of process within the United States upon the Company or to enforce against the Company judgments of courts in the United States, whether or not predicated upon the civil liability provisions of the federal securities laws of the United States or other laws of the United States or any state thereof. In addition, there is doubt as to whether certain non-US courts (including the courts of England) would accept jurisdiction and impose civil liability if proceedings were commenced in such non-US jurisdictions (including England) predicated solely upon US securities laws. In addition, there can be no assurance that civil liabilities predicated upon federal or state securities laws of the United States will be enforceable in any part of the United Kingdom or any other jurisdiction.

12. NOTICE TO INVESTORS IN THE UNITED STATES OF AMERICA

Subject to certain limited exceptions, neither this document nor the Application Form constitutes, or will constitute, or forms part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase subscribe for, or take up entitlements to the New Ordinary Shares to any person with a registered address in, or who is resident of, the United States.

The New Ordinary Shares and Open Offer Entitlements are only being offered and sold (a) outside the United States in reliance on Regulation S and (b) in the United States solely by the Company and exclusively to certain QIBs, in reliance on the exemption from registration provided for private placements by Section 4(a)(2) of the US Securities Act or pursuant to another applicable exemption.

In reliance on the exemption from registration provided for private placements by Section 4(a)(2) of the US Securities Act or pursuant to another applicable exemption, every acquiror of New Ordinary Shares in the United States will be required to represent, warrant and agree that they are a QIB, and to execute a statement addressed to the Company, in accordance with the form available from the Company.

Any person in the United States who obtains a copy of this document or an Application Form and who is not a QIB is required to disregard them.

No representation has been, or will be, made by the Company or the Joint Bookrunners as to the availability of Rule 144 under the US Securities Act or any other exemption under the US Securities Act or any applicable securities laws of any state or other jurisdiction of the United States for the reoffer, pledge or transfer of the New Ordinary Shares.

In addition, until 40 days after the commencement of the Capital Raising, an offer, sale or transfer of the New Ordinary Shares within the United States by a dealer (whether or not participating in the Capital Raising) may violate the registration requirements of the US Securities Act.

PART III CAPITAL RAISING STATISTICS

Offer Price per New Ordinary Share	267 pence
Basis of Open Offer ⁽²⁾	2 New Ordinary Shares for every 5 Existing Ordinary Shares
Number of Ordinary Shares in issue as at the Latest Practicable Date	46,870,787 Existing Ordinary Shares
Discount of the Offer Price to the Closing Price of 276 pence per Existing Ordinary Share on 20 November 2023 (being the last Business Day before the publication of this document)	3.3%
Number of New Ordinary Shares to be issued pursuant to the Firm Placing ⁽²⁾	28,122,472 New Ordinary Shares
Number of New Ordinary Shares to be issued pursuant to the Placing and Open Offer ⁽²⁾	18,748,315 New Ordinary Shares
Number of New Ordinary Shares to be issued pursuant to the Director and Senior Management Subscriptions ⁽²⁾	459,167 New Ordinary Shares
Aggregate number of New Ordinary Shares to be issued pursuant to the Capital Raising and the Director and Senior Management Subscriptions ⁽²⁾	47,329,954 New Ordinary Shares
Ordinary Shares in issue immediately following Admission ⁽¹⁾⁽²⁾	94,200,741 Ordinary Shares
New Ordinary Shares as a percentage of the Company's enlarged issued share capital immediately following Admission ⁽¹⁾⁽²⁾	101%
Estimated gross proceeds of the Capital Raising ⁽³⁾	£125 million
Estimated expenses of the Capital Raising ⁽³⁾⁽⁵⁾	£8.4 million
Estimated net proceeds of the Capital Raising receivable by the Company, after deduction of commissions, fees, expenses and excluding VAT ⁽⁴⁾	£116.7 million

Notes

- (1) The impact of the issuance of any Ordinary Shares in respect of the vesting or exercise of any awards under the Share Plans or otherwise which may occur between the Latest Practicable Date and the Record Date has been disregarded. The actual number of New Ordinary Shares to be issued under the Capital Raising will be subject to rounding to eliminate fractions.
- (2) Unless otherwise stated, for the purposes of the table above and this document, the number of New Ordinary Shares to be issued under the Capital Raising is stated on the assumption that no further Ordinary Shares are issued from the date of this document and the relevant time. Fractions of New Ordinary Shares will not be allotted to Shareholders in the Open Offer and fractional entitlements under the Open Offer will be rounded down to the whole nearest number of New Ordinary Shares.
- (3) All expenses are exclusive of any amounts in respect of VAT.
- (4) In addition, the gross and net proceeds of the Capital Raising have been calculated on the basis that 28,122,472 New Ordinary Shares are issued under the Firm Placing and that 18,748,315 New Ordinary Shares are issued under the Placing and Open Offer.
- (5) No commissions, fees or expenses will be charged to subscribers for New Ordinary Shares by the Company.

PART IV
DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Ian McHoul (<i>Chair</i>) Stephen Bird (<i>Group Chief Executive</i>) Andrea Rigamonti (<i>Group Chief Financial Officer</i>) Anna Vikström Persson (<i>Independent Non-Executive Director</i>) Caroline Thomson (<i>Independent Non-Executive Director</i>) Dr Erika Schraner (<i>Independent Non-Executive Director</i>) Graham Oldroyd (<i>Independent Non-Executive Director</i>) Richard Tyson (<i>Independent Non-Executive Director, Senior Independent Director</i>) Stephen Harris (<i>Independent Non-Executive Director, Chairman Designate</i>) Teté Soto (<i>Independent Non-Executive Director</i>)
Company Secretary	Jon Bolton
Registered office	Bridge House, Heron Square, Richmond TW9 1EN United Kingdom
Sponsor and Financial Adviser . .	N.M. Rothschild & Sons Limited New Court St Swithin's Lane London EC4N 8AL United Kingdom
Joint Global Co-ordinator and Joint Bookrunner	Jefferies International Limited 100 Bishopsgate London EC2N 4JL United Kingdom
Joint Global Co-ordinator and Joint Bookrunner	Investec Bank plc 30 Gresham Street London EC2V 7QP United Kingdom
Legal advisers to the Company . .	Slaughter and May One Bunhill Row London EC1Y 8YY United Kingdom
Legal advisers to the Company as to US law	Cravath Swaine & Moore LLP CityPoint One Ropemaker Street London EC2Y 9HR United Kingdom
Legal advisers to the Sponsor and Joint Bookrunners	Allen & Overy LLP One Bishops Square London E1 6AD United Kingdom

**Independent Auditor and
Reporting Accountant** **Deloitte LLP**
1 New Street Square
London
EC4A 3HQ
United Kingdom

Receiving Agent and Registrar . . **Equiniti Limited**
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA
United Kingdom

PART V
LETTER FROM THE CHAIR OF VIDENDUM PLC



*(incorporated in England and Wales under the Companies Act 2006
with registered number 00227691)*

Directors

Ian McHoul (*Chair*)
Stephen Bird (*Group Chief Executive*)
Andrea Rigamonti (*Group Chief Financial Officer*)
Anna Vikström Persson (*Independent Non-Executive Director*)
Caroline Thomson (*Independent Non-Executive Director*)
Dr Erika Schraner (*Independent Non-Executive Director*)
Graham Oldroyd (*Independent Non-Executive Director*)
Richard Tyson (*Independent Non-Executive Director, Senior Independent Director*)
Stephen Harris (*Independent Non-Executive Director, Chairman Designate*)
Teté Soto (*Independent Non-Executive Director*)

Registered Office

Bridge House,
Heron Square,
Richmond,
United Kingdom,
TW9 1EN

21 November 2023

Dear Shareholder,

Proposed Firm Placing of 28,122,472 New Ordinary Shares at 267 pence per New Ordinary Share

Proposed Placing and Open Offer of 18,748,315 New Ordinary Shares at 267 pence per New Ordinary Share and Notice of General Meeting

1. INTRODUCTION

Videndum has today announced its intention to raise gross proceeds of £125 million by way of a Firm Placing and Placing and Open Offer to support reduction in the Group's Leverage and provide stronger foundations to focus on delivering its strategy and generating future shareholder value. 28,122,472 New Ordinary Shares will be issued through the Firm Placing and 18,748,315 New Ordinary Shares will be issued through the Placing and Open Offer, on the basis of 2 New Ordinary Shares for every 5 Existing Ordinary Shares, in each case at an Offer Price of 267 pence per New Ordinary Share. The Capital Raising has been fully underwritten by the Joint Bookrunners, subject to the conditions set out in the Placing Agreement.

The purpose of this document is to provide details regarding the Capital Raising and explain why the Board believes this is in the best interests of Videndum and its shareholders.

The Capital Raising is conditional on, among other things, the passing of the Resolutions by Shareholders at the General Meeting, which is scheduled to take place at 10:30 a.m. on 7 December 2023 at 41 Portland Place, London, W1B 1QH. You can find the Notice of General Meeting at the end of this document. Your attention is drawn to paragraph 10 of this letter for more information on the importance of your vote.

The Board has considered the best way to structure the proposed equity capital raising in light of the Group's current financial position and the interests of all Shareholders. The decision to structure the equity capital raising by way of a combination of a Firm Placing and a Placing and Open Offer takes into account a number of factors, including the total net proceeds to be raised pursuant to the Capital Raising and the possibility to widen the Company's shareholder base with new investors in the Company.

The Board considers that the Capital Raising is in the best interests of the Shareholders taken as a whole and unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting. Each Director who is able to intends to vote in favour of the

Resolutions. In addition, each of the Directors has committed to subscribe for New Ordinary Shares, at the Offer Price, in connection with the Capital Raising pursuant to the Director and Senior Manager Subscriptions (as defined below), as set out in paragraph 14 of this Part V (*Letter from the Chair of Videndum plc*).

I am writing to give you further details of the Capital Raising, including the background to and reasons for it, to explain why the Board considers it to be in the best interests of Videndum and the Shareholders as a whole and to seek your approval of the Resolutions to be proposed at the General Meeting.

2. BACKGROUND TO AND REASONS FOR THE CAPITAL RAISING

Company overview

Videndum is a leading global provider of premium branded hardware products and software solutions to the content creation accessory industry. The Group's brands are leaders in defensible niche markets, in terms of premium products, technology innovation and/or market share.

Customers include TV broadcasters, film studios, production and rental companies, photographers, independent content creators, vloggers/influencers, professional musicians, governments and enterprises.

Videndum designs and manufactures a portfolio of traditional mechanically engineered products through to electronics and software to enable its customers, in a full range of creative industries, to capture and share content through a wide variety of media. Videndum's products typically attach to, or support, a camera, primarily for broadcast, cinematic, video, photographic, audio capture and smartphone applications, and are offered as a cohesive package. Its product portfolio includes: camera supports (tripods and heads), video transmission systems and monitors, live streaming solutions, smartphone accessories, robotic camera systems, prompters, LED lighting, mobile power, carrying solutions, backgrounds, motion control, audio capture, and noise reduction equipment.

Videndum has a decentralised structure and is organised in three divisions: Videndum Media Solutions, Videndum Production Solutions and Videndum Creative Solutions. As set out in sections 4 and 5 of Part VIII (*Business And Market Overview*), each Division operates in markets which provide attractive long-term growth drivers for Videndum, supported by the strength of Videndum's brands and its focus on technology innovation, manufacturing and operational excellence, and its global distribution capabilities. The Group's senior management team is highly experienced, with an average tenure of ten years.

The Group had total revenue of £451.2 million and Adjusted Operating Profit of £60.0 million for the year ended 31 December 2022; from continuing operations, for the year ended 31 December 2022, revenue was £442.5 million and Adjusted Operating Profit was £64.2 million and, for the half year ended 30 June 2023, revenue was £165.0 million and Adjusted Operating Profit was £15.2 million.

The Group has been transformed over the last ten years through a combination of organic development and acquisitions and is now positioned at the heart of the growing content creation industry. A product-driven business, the Group's purpose is to "enable the capture and sharing of exceptional content". The Directors believe that approximately 90% of the Group's revenue comes from content creators who use its products to earn their living, and about 80% of its products are often considered to be mission critical to its customers.

Strategy

Videndum's long-term strategic objectives are to deliver organic growth, improve margins and, over the longer term, to grow through M&A (once debt has been reduced and the macroeconomic environment has started to improve). The Group is maintaining its investment in key strategic initiatives, focusing on high-end professional content creation, whilst exiting non-core markets.

(i) Organic growth

Videndum is positioned at the heart of the content creation industry, with market-leading, premium brands in defensible niches.

Management estimates the Group's Total Addressable Market ("TAM") to be c.£3 billion and it is expected to grow at a compound annual rate of mid-to-high single digits in the medium-to-long term, although with a slower growth rate in 2022-24 due to the Group's markets having been significantly impacted by macroeconomic headwinds and the US Writers' and Actors' Strikes.

Videndum estimates that c.75% of the Group's business is exposed to the four main structural market growth drivers set out in section 4 of Part VIII (*Business And Market Overview*), which, although significantly impacted in the short term, due to the adverse macroeconomic conditions and the impact of the US Writers' and Actors' Strikes, remain valid in the medium-to-long term. These are: (1) internet/e-commerce; (2) subscription TV/original content creation; (3) video sharing platforms such as TikTok/YouTube; and (4) live streaming. Organic growth is driven by these four drivers coupled with technology advancement, and the Group continues to develop innovative new technology to improve customers' productivity by developing products which reduce set up time and lower operating costs. This is becoming increasingly important to customers and drives demand for new and replacement products. This enables Videndum's premium brands to maintain their already strong market positions and, in places, gain market share.

Key focus areas include robotics and AI-driven technology for broadcast studio automation, high-end audio capture, wireless video and transmission systems, and a new range of sustainable portable power solutions based on sodium technology.

(ii) Margin improvement, and short-term mitigating actions to manage costs and cash to offset prolonged US Writers' and Actors' Strikes

The Group has been actively managing the business to cut costs and to preserve cash while seeking to ensure it is well placed for recovery now that the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification) and once productions affected by those strikes restart. To offset the prolonged US Writers' and Actors' Strikes, the Group is executing significant actions to further reduce costs, whilst Government support in Italy (CIGO) will also continue to help preserve the long-term capabilities of the business.

Margin improvement is expected as volumes return, and the Group delivers operating leverage. It will continue to optimise its manufacturing and assembly portfolio, and to review opportunities to deliver cross-Divisional synergies to ensure that the business is well set up for mid and long-term growth.

The Group is focused on improving operating profit margins towards its long-term mid-to-high teen goal. Once the business recovers from the US Writers' and Actors' Strikes, the Group's long-term margin improvement drivers include targeted pricing increases to reflect product quality and brand strength, growing online sales, continued operating efficiencies, and capturing synergies from recent acquisitions.

(iii) M&A activity

While the Group remains focused on debt reduction and therefore no acquisitions are expected in the short-term, in the medium to long term the Group has a disciplined approach to capital allocation, including considering potential divestments as well as targeted bolt-on M&A activity where there are opportunities which could expand addressable markets and enhance technology capabilities.

Strengths

Market-leading premium brands with technology leadership

Videndum is a leading global provider of specialist products and services to the content creation accessory industry, incorporating one of the widest ranges of product categories within its niche markets. Protected by patents and trademarks, Videndum's innovative products are marketed under well-known brands. Focused investment in new products, technologies, markets and people enable the Group to ensure that its brands remain at the forefront of the industry, recognised for their premium offerings and innovative technology.

Sourcing, manufacturing and operational excellence is a major competitive advantage in a fragmented industry

The Group manufactures c.75% of its products in-house in well-invested, environmentally-friendly facilities. The majority of the Group's operations are relatively low-volume, small-batch processes and

Videndum's continuous improvement culture enables it to optimise global operations. The Group manufactures c.10x more tripods than its closest competitor and has implemented lean manufacturing and automation to maximise quality, service and efficiency, while reducing costs. Most of the Group's factories are vertically integrated which means the Group produces many of its components in-house.

Global distribution capabilities

Videndum markets and sells its products globally via multiple distribution channels, its own sales teams, and through e-commerce via its own and third-party websites. The majority of sales are conducted via a global network of distributors, rental houses, systems integrators, resellers, retailers and e-tailers who sell on to customers. The breadth of the Group's product portfolio and strong brand heritage are reflected by its global network of channel partners. The Group continues to expand its digital and e-commerce capabilities, and its Media Solutions Division is considered to have the best digital capabilities in its niche markets which provide a long-term, scalable competitive advantage.

An experienced senior management team

Videndum has a decentralised structure which allows the Group to react quickly to customer, market and technological changes. This structure enables focused decision-making and reduces bureaucracy. Combined with a strong entrepreneurial culture this means that the Group is able to adapt to change and also to innovate to produce industry-leading products. The senior management team has an average tenure of ten years and has demonstrated its ability to adapt to difficult market conditions as well as recovering from them through the COVID-19 pandemic where the Group's operations were severely impacted. Swift action was taken to mitigate costs whilst protecting the medium-and-long-term prospects for the business. Videndum saw a strong bounce back in financial and operational performance following the COVID-19 pandemic and this reflects the strength and depth of the senior management team across the Group.

Challenging backdrop and the strikes have significantly, but only temporarily, weakened recent performance

There are a number of factors contributing to the challenging backdrop Videndum is currently facing.

Over the past two years, several factors have combined to significantly increase the Group's leverage, defined as Consolidated Net Borrowings to EBITDA according to the terms of its lending covenants ("**Leverage**").

Between April 2021 and January 2022, the Group completed four acquisitions for aggregate consideration of more than US\$150 million, which were funded from debt. In the same period, its Leverage increased from 1.3x at 31 December 2019 to 2.2x at 30 June 2022.

Beginning in the second half of 2022, the Group was increasingly impacted by macroeconomic headwinds, including weakening consumer confidence, which most significantly impacted revenue from the Group's non-professional customers (c.10% of Group revenue). As interest rates increased, business confidence was impacted further towards the latter part of the second half of 2022, and this resulted in retailers and distributors commencing to destock across all divisions, but predominantly impacting the Media Solutions Division. This also began impacting the Group's independent content creator segment (c.35% of Group revenue). The macroeconomic environment has remained challenging throughout 2023, which has led to continued retailer and distributor destocking, compounded by the continuing weakness of the Group's consumer segment as well as its independent content creator segment. The challenging macroeconomic environment and the acquisitions by the Group increased the Group's Leverage position.

Compounding this, and as further set out in this Prospectus, the WGA, which combines two different US labour unions representing TV and film writers in New York and Los Angeles, called a strike on 2 May 2023. In the months prior to the strike being called, the speculation of a potential strike caused some US cine/scripted TV productions to be paused, and from 2 May 2023, the majority of US cine/scripted TV productions were suspended. This strike action significantly impacted demand for the Group's high-end cine and scripted TV products in the United States. On 14 July 2023, SAG-AFTRA, which combines two US labour unions representing TV and film actors, entered into a strike. Both the US Writers' and Actors' Strikes continued longer than expected, and the addition of the actors resulted in the strikes having a wider geographic spread as some productions have been halted in continental Europe and the United Kingdom, as well as a deeper impact on the Group's customer base, including

the independent content creator segment. In addition, the strikes have led to the delay in the sales of new product launches. Given the length of the US Writers' and Actors' Strikes, the strikes are expected to have a more significant impact in the second half of 2023 compared to the first half of 2023.

These headwinds resulted in Group revenue from continuing operations in H1 2023 decreasing by 25% compared to H1 2022. Management estimates that the attributable impacts in H1 2023 included destocking of c.£20 million, the demand in consumer and ICC segments of c.£20 million, and the US Writers' and Actors' Strikes of c.£20 million. While the impact has been material, it is important to note that these headwinds are expected to be temporary in nature and now that the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification) and once productions affected by those strikes restart, Videndum expects to benefit from a recovery in cine revenue.

Despite the downward trajectory of the macroeconomic environment from 2022, prior to the impact of the US Writers' and Actors' Strikes, Videndum delivered record financial performance in 2022 as the Group emerged strongly from the COVID-19 pandemic period and also benefited from the inclusion of some of its recent acquisitions, and experienced favourable foreign exchange rates. During 2022 from continuing and discontinued operations:

- Revenue increased 14%, from £394.3 million in 2021 to £451.2 million in 2022, with organic constant currency revenue slightly ahead year on year;
- Adjusted Operating Profit increased 30%, from £46.2 million in 2021 to £60.0 million in 2022; and
- Adjusted Basic Earnings Per Share increased 29% from 69.9 pence in 2021 to 90.1 pence in 2022.

Substantial actions executed to help mitigate the impact of adverse macroeconomic environment and US Writers' and Actors' Strikes

Against this challenging backdrop, the Group took significant actions to mitigate the impact of the macroeconomic challenges and the US Writers' and Actors' Strikes, including agreeing covenant amendments with its lending banks, cost reductions, and developed plans to conserve cash, and reduce Leverage. The year-on-year net benefit of cost savings was £8.9 million in H1 2023.

The mitigation efforts include, but are not limited to, the following:

- La Cassa Integrazione Guadagni Ordinaria ("**CIGO**"), the Italian government supported furlough programme, was applied in the Italian facilities of Media Solutions to mitigate the lower demand whilst ensuring employees were looked after and retained by the business;
- Implemented restructuring projects in all divisions to ensure a lean organisation ready to capitalise once trading conditions improve;
- Taken advantage of location synergies following recent acquisitions:
 - o In the United Kingdom, the Rycote windshield production was moved to the Ashby-de-la-Zouch factory; and
 - o In the United States, audio R&D and microphones production moved to the audio centre of excellence in Portland, the manufacturing of Wooden Camera products moved from Dallas, USA to the Cartago site in Costa Rica and Videndum Media Solutions' US distribution moved out of New Jersey to the Savage facilities in Arizona; and
- Short-time working was implemented in Creative Solutions in H2 2023 to mitigate the lower demand whilst ensuring employees were retained by the business.

Notwithstanding these actions, the Group's Leverage position increased to 2.9x for the 12 months to 30 June 2023. The Group's gearing, defined as Net Debt to Equity, was 86% at 31 December 2022 and increased to 139% at 30 June 2023. As Videndum outlined in its 2023 Half Year Results, given the length of the US Writers' and Actors' Strikes, the strikes are also having a significant impact in the second half of 2023, and Leverage at December 2023 will be based on EBITDA for the 12 months to 31 December 2023.

Videndum has good relationships with its lending banks and during the strikes, the Group worked constructively with its lending banks and agreed covenant amendments for December 2023 and June 2024 in August 2023, and further amended the covenants for the Test Dates falling on

December 2023, March 2024, June 2024 and September 2024 in September 2023 and November 2023. The lending banks also agreed to delay the scheduled repayment of term loans of US\$25 million (£20.1 million) from December 2023 to February 2024. New covenant testing dates for March 2024 and September 2024 have been agreed in addition to the customary test dates of December and June. In addition, there is a requirement for the Company to prepare an alternative deleveraging plan in a form and substance satisfactory to its lending banks by no later than 15 January 2024 if an equity raise of a minimum of £90 million net proceeds (after fees, costs and expenses) has not been launched by 30 November 2023. Moreover, during the period starting 10 November 2023 and ending 30 June 2024, the Company and the Group must seek consent from its lending banks for any new acquisitions. The launch of the Capital Raising satisfies the requirement to announce and release the Capital Raising on or before 30 November 2023, which means the Group is not required to prepare such alternative deleveraging plan.

Alongside executing cost saving and cash preservation actions (including non-recourse factoring of receivables, lower capital expenditure in fixed assets, and controlled investment in working capital) Videndum has continued to maintain investment in the Group's key strategic initiatives to seek to ensure it is well placed for recovery once productions restart. The Group is increasingly focusing on the high-end professional content creation market where it has high market share, sales channel expertise and compelling growth opportunities. Consequently, the Board has already decided to exit the non-core medical market, and has exited the non-core gaming market, to concentrate on R&D investment on the content creation market. As a result, Amimon was held for sale at 30 June 2023 and certain trade and assets of Lightstream were disposed of by the Group on 2 October 2023 for US\$0.5 million.

Even though both the WGA and SAG-AFTRA have announced that they have reached agreements on new 2023 contracts (in the case of SAG-AFTRA, pending the SAG-AFTRA Member Ratification), allowing both writers and actors to return to work, the length and depth of the strikes, coupled with the macroeconomic challenges, have significantly impacted the Group. The Capital Raising will allow Videndum to reduce its borrowings and enable the Group to focus on its strategic delivery and long-term value creation as well as reducing the risk for all stakeholders from a possible breach of covenants, or a solvency risk due to a lack of liquidity.

More robust capital structure will help the Group deliver on its medium-to-long-term ambitions

Videndum believes that the Capital Raising will provide the Group with a balanced capital structure to enable the delivery of its strategy and generate future shareholder value.

The content creation market continues to have strong longer-term prospects with structural growth drivers, and Videndum is positioned to benefit with leading, premium brands. Although the consumer and ICC segments of the market are being impacted by the current challenging macroeconomic environment, and cine/scripted TV productions have been paused for over five months in the United States (and some European countries have also been affected) due to the US Writers' and Actors' Strikes, Videndum expects that the demand for, and investment in, original content (e.g. for live news and sport, reality and scripted TV shows, films, digital visual content for e-commerce and vlogging, etc.) will continue to grow in the medium term.

Videndum expects to recover from the temporary impact from the headwinds mentioned above, however the timing and shape of recovery from the strikes, and an improvement in the macroeconomic environment, is difficult to predict.

Recovery is underpinned by Videndum's clear strategy to create value with a tighter focus on its high-end, professional core markets which have attractive growth prospects. Even assuming that the macroeconomic environment remains challenging in 2024, the Group believes it has a number of building blocks to achieve its 2024 targets. These include the non-repeat of the US Writers' and Actors' Strikes, the bounce back from the strikes, less destocking, the benefit from price increases implemented in 2023, a pipeline of new product launches (including the new sustainable portable power solution), delivery of the 2024 Olympic Games contract, and the positive impact from the media coverage of the 2024 US Presidential elections.

Margin improvement is expected as volumes return, and the Group delivers operating leverage. The Group is focused on improving operating profit margins towards its long-term mid-to-high teen goal and its long-term margin improvement drivers include targeted pricing increases to reflect product

quality and brand strength, growing online sales, continued operating efficiencies, and capturing synergies from recent acquisitions.

The Board believes that a reduction in Videndum's current elevated Leverage position will enable the Group to focus on strategic execution and long-term value creation and will reduce the downside risks from near-term headwinds the Group is currently experiencing and the risk of a breach of its covenants which would result in the default of its lending arrangements with its banks. This will also help to ensure that Videndum is well-positioned to benefit from a recovery in revenue once the current headwinds abate.

Whilst the Group remains focused on proactively reducing Leverage in the short term, in the medium to long term the Group has a disciplined approach to capital allocation, including considering potential divestments as well as targeted bolt-on M&A activity where there are opportunities to expand the Group's addressable markets and/or enhance its technological capabilities.

It is accordingly announcing a fully underwritten Capital Raising, subject to the conditions set out in the Placing Agreement, to raise gross proceeds of £125 million. This will provide headroom with respect to the financial debt covenants contained within the Group's Existing Senior Financial Indebtedness ("**Financial Debt Covenants**"), strategic, and financial flexibility and it will be supported by divestment proceeds, if any, and continued cost control.

In summary, the Board believes the Capital Raising will allow Videndum to focus its resources on strategic execution and long-term value creation for shareholders from its market-leading, premium brands focused on the content creation market.

3. USE OF PROCEEDS

The Capital Raising is expected to raise approximately £125 million in gross proceeds and approximately £116.7 million in net proceeds (after deduction of estimated commissions, fees, expenses and excluding VAT).

US\$55 million in net proceeds is intended to fund the repayment and cancellation of the Group's outstanding term loans, which relate to the acquisitions of Savage and Audix, which as at the Latest Practicable Date had an outstanding balance of US\$55 million (£44.2 million), following which £72.5 million in net proceeds is intended to be utilised to repay drawings under the Group's Revolving Credit Facility. In order to mitigate the risk of sudden movements in the pound sterling to US dollar exchange rates, the Company has entered into a forward foreign exchange contract pursuant to which it will exchange £44.0 million for US\$55 million at a fixed rate of 1.2503, as further described in paragraph 10.2(E) of Part XIII (*Additional Information*).

The Group will continue to prioritise reducing Leverage to its previous targeted range to be below 1.5x whilst also seeking to execute its strategy and maintain investment in its key strategic initiatives to drive organic growth.

4. CURRENT TRADING AND OUTLOOK

Since the Group's last update in the 2023 Half Year Results announced on 26 September 2023, the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification). However, as expected, there is significantly more impact from the US Writers' and Actors' Strikes on the Group in H2 2023 than in H1 2023.

Consistent with the trends in the first half, the macroeconomic environment remains challenging, and the Group does not anticipate a recovery in the consumer or ICC segments in 2023.

Management believes that destocking has completed in consumer retailers, however specialist distributors remain concerned about high interest rates and levels of working capital, and there is therefore still some destocking in this area, although this is expected to reduce and have a lower impact going forward. Management continues to be focused on tightly managing costs and preserving cash, while seeking to ensure that the business is well placed for recovery now that the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification) and once productions affected by those strikes restart. However, as a consequence of the increasing impact of the strikes and the challenging macroeconomic environment, the Group experienced a further weakening in trading in the third quarter, particularly with respect to Creative Solutions, and to a lesser extent

Production Solutions, which have the most exposure to the cine/scripted TV segment. This resulted in an increase in Leverage from 2.9x as at 30 June 2023 to 4.2x as at 30 September 2023.

On 2 October 2023, certain trade and assets of Lightstream were sold to Xsolla (USA), Inc., a leading player in the gaming industry, for US\$0.5 million.

Videndum remains well positioned in a content creation market which has attractive structural growth drivers and strong medium-term prospects. Now that the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification) and once productions affected by those strikes restart, the Board is confident that the Group will benefit from a significant recovery in its cine revenue.

5. PRINCIPAL TERMS AND CONDITIONS OF THE FIRM PLACING AND PLACING AND OPEN OFFER

5.1 Overview

The Company proposes to raise gross proceeds of approximately £125 million (approximately £116.7 million after deduction of estimated commissions, fees, expenses and excluding VAT) by way of:

- a Firm Placing of 28,122,472 New Ordinary Shares; and
- a Placing and Open Offer of 18,748,315 New Ordinary Shares,

(together, the "**Capital Raising**") in each case at an Offer Price of 267 pence per New Ordinary Share. The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares.

The Capital Raising is being fully underwritten by the Joint Bookrunners, subject to certain customary conditions in the Placing Agreement, details of which are set out in section 10.1 (*Placing Agreement*) of Part XIII (*Additional Information*) of this document. The Capital Raising is conditional on, among other things, the Resolutions having been passed by Shareholders at the General Meeting.

The Board has considered the best way to structure the proposed equity capital raising in light of the Group's current financial position and the interests of all Shareholders. The decision to structure the equity capital raising by way of a combination of a Firm Placing and a Placing and Open Offer takes into account a number of factors, including the total net proceeds to be raised pursuant to the Capital Raising and the possibility to widen the Company's shareholder base with new investors in the Company. The Board also believes that the Firm Placing could enable the Company to satisfy demand from current major Shareholders wishing to increase their equity positions in the Company. The Board has sought to balance the dilution to existing Shareholders arising from the Firm Placing with the need to bring in substantial investors with guaranteed commitments to ensure the success of the Capital Raising. As a result 40 per cent. of the New Ordinary Shares being issued will be available to existing Shareholders through the Open Offer on a pro rata basis.

Further details of the terms and conditions of the Capital Raising, including the procedure for acceptance and payment and the procedure in respect of rights not taken up, are set out in Part VII (*Terms and Conditions of the Capital Raising*) and, where relevant, the Application Form.

Offer Price

The Offer Price of 267 pence per New Ordinary Share represents a 3.3% discount to the closing middle market price of Videndum of 276 pence per Ordinary Share on 20 November 2023 (being the last Business Day before the publication of this document). The Offer Price (and the discount) has been set by the Directors following their assessment of the prevailing market conditions and anticipated demand for the New Ordinary Shares. The Board, having taken appropriate advice from its advisors, believes that the Offer Price (including the discount) is appropriate in the circumstances.

Firm Placing

The Company proposes to issue 28,122,472 Firm Placing Shares to Firm Placees at the Offer Price, on a non-pre-emptive basis. The Firm Placing will not be subject to clawback to satisfy Open Offer Entitlements taken up by Qualifying Shareholders.

Placing and Open Offer

Under the Open Offer, Qualifying Shareholders are being given the opportunity to subscribe for New Ordinary Shares pro rata to their current holdings on the basis of 2 New Ordinary Shares for every 5 Existing Ordinary Shares held by them on the Record Date, and so in proportion to any other number of Existing Ordinary Shares then held and otherwise on the terms and conditions set out in this document (and, in the case of Qualifying Non-CREST Shareholders, the Application Form).

Qualifying Shareholders may apply for any whole number of Open Offer Shares up to their Open Offer Entitlements. Fractions of Open Offer Shares will not be allotted and each Qualifying Shareholder's Open Offer Entitlements will be rounded down to the nearest whole number. The fractional entitlements will be aggregated and sold for the benefit of the Company under the Placing. Accordingly, Qualifying Shareholders with fewer than 5 Existing Ordinary Shares will not be entitled to take up any Open Offer Shares. Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating Open Offer Entitlements.

The Joint Bookrunners have agreed severally, subject to the certain terms and conditions of the Placing Agreement, to use reasonable endeavours to procure Placees for the New Ordinary Shares at the Offer Price. To the extent that any Firm Placee or Placee procured by the Joint Bookrunners fails to subscribe for any or all of the Firm Placing Shares and/or Placing Shares which have been allocated to it, subject to certain conditions, each of the Joint Bookrunners shall severally subscribe themselves for the Firm Placing Shares and/or the Placing Shares at the Offer Price. Further details of the terms and conditions of the Placing Agreement are set out in section 10.1 (*Placing Agreement*) of Part XIII (*Additional Information*).

Impact of not applying for New Ordinary Shares

Any New Ordinary Shares which are not applied for under the Open Offer will be allocated to Conditional Placees pursuant to the Placing. Pursuant to the Placing Agreement, the Joint Bookrunners have severally agreed to use reasonable endeavours to procure conditional subscribers (subject to clawback to satisfy Open Offer Entitlements taken up by Qualifying Shareholders) for the New Ordinary Shares at the Offer Price. If the Joint Bookrunners are unable to procure subscribers for any New Ordinary Shares that are not taken up by Qualifying Shareholders pursuant to the Open Offer (including in the event that a prospective Conditional Placee fails to take up any or all of the Placing Shares which have been allocated to it or which it has agreed to take up at the Offer Price), then each of the Joint Bookrunners has agreed, on the terms and subject to the conditions set out in the Placing Agreement, severally (and not jointly or jointly and severally) to subscribe for such New Ordinary Shares at the Offer Price in its Due Underwriting Proportions.

Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST, and be enabled for settlement, the Open Offer Entitlements will not be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim. New Ordinary Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their entitlements will have no rights, and will not receive any benefit, under the Open Offer. Any Open Offer Shares which are not applied for under the Open Offer will be allocated to Conditional Placees pursuant to the Placing.

Dilution

If a Qualifying Shareholder who is not a Placee does not take up any of their Open Offer Entitlements, such Qualifying Shareholder's holding, as a percentage of the Enlarged Share Capital, will be diluted by 50 per cent. as a result of the Capital Raising and the Director and Senior Management Subscriptions.

If a Qualifying Shareholder who is not a Placee takes up their Open Offer Entitlements in full, such Qualifying Shareholder's holding, as a percentage of Enlarged Share Capital, will be diluted by 30 per cent. as a result of the Firm Placing and the Director and Senior Management Subscriptions.

Shareholders in the United States (subject to certain limited exceptions) and the other Excluded Territories will not be able to participate in the Open Offer and will therefore experience dilution as a result of the Capital Raising and the Director and Senior Management Subscriptions.

Conditionality

The Capital Raising is conditional, among other things, upon:

- the passing of the Resolutions at the General Meeting without material amendment;
- Admission of the New Ordinary Shares becoming effective by not later than 8.00 a.m. on 8 December 2023 (or such later time and/or date as the Joint Bookrunners and the Company may agree in advance in writing); and
- the Placing Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been rescinded or terminated in accordance with its terms prior to Admission.

If any of the conditions are not satisfied or, if applicable, waived, then the Capital Raising will not take place.

Application will be made for the New Ordinary Shares to be admitted to listing on the premium segment of 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 dealings in the New Ordinary Shares fully paid will commence at 8.00 a.m. on 8 December 2023.

6. SIGNIFICANT COMMITMENTS AND RELATED PARTY TRANSACTIONS

Significant commitments

The Company has received an irrevocable undertaking from Aberforth confirming its intention to vote in favour of the Resolutions at the General Meeting, in respect of an aggregate of 4,469,760 Existing Ordinary Shares, representing approximately 9.54 per cent. of the Existing Ordinary Shares as at the Latest Practicable Date.

The Company has also received an irrevocable undertaking from Alantra confirming its intention to vote in favour of the Resolutions at the General Meeting, in respect of an aggregate of 9,908,153 Existing Ordinary Shares, representing approximately 21.14 per cent. of the Existing Ordinary Shares as at the Latest Practicable Date.

Following the Capital Raising, Alantra will hold up to 22.45 per cent. of the Enlarged Share Capital (being 21,144,108 Ordinary Shares, comprising 9,908,153 Existing Ordinary Shares and 11,235,955 New Ordinary Shares).

Related Party Transactions

Major Shareholders

Alantra is a related party of the Company for the purposes of the Listing Rules as it is a substantial shareholder of the Company which is entitled to exercise, or control the exercise of, 21.14 per cent. of the votes able to be cast at general meetings of the Company (as at the Latest Practicable Date).

The maximum aggregate value of the New Ordinary Shares to be issued to Alantra pursuant to the Capital Raising is approximately £30 million. Accordingly, the issue of such New Ordinary Shares to Alantra is a transaction of sufficient size to require Shareholder approval under the Listing Rules as Alantra is a related party, which will be sought at the General Meeting (Alantra and its affiliates will not vote on Resolution 3).

The rules regarding related party transactions under paragraphs 11.1.7R to 11.1.10R of the Listing Rules do not apply to any New Ordinary Shares issued to Alantra as a result of it taking up its Open Offer Entitlements. Such rules are, however, applicable to any New Ordinary Shares issued to Alantra pursuant to Firm Placing and Placing, which will amount to a maximum value of New Ordinary Shares of approximately £30 million.

Directors

Each Director is a related party of the Company for the purposes of the Listing Rules. The rules regarding related party transactions under paragraphs 11.1.7R to 11.1.10R of the Listing Rules do not apply to each of the subscriptions by the Directors pursuant to the Director and Senior Management Subscriptions, as each Director and Senior Management Subscription constitutes a small transaction for the purposes of paragraph 11.1.6R of the Listing Rules due to the size of each relative to the Company's market capitalisation. None of the Directors intend to take part in either the Firm Placing or the Placing and Open Offer.

7. DIVIDENDS AND DIVIDEND POLICY

Reflecting the impact that the US Writers' and Actors' Strikes and the challenging macroeconomic conditions have had on the financial performance of the Group and its Leverage, Videndum did not declare a dividend at its 2023 Half Year Results.

The Board recognises the importance of dividends to the Group's shareholders and intends to resume payment of a progressive and sustainable dividend when it is appropriate to do so.

The Company announced on 23 February 2023 that the final dividend recommended by the Board for FY 2022 would be 25.0 pence per share. The final dividend recommended by the Board of 25.0 pence per share was approved by Shareholders at the Company's annual general meeting on 11 May 2023 and was paid on 19 May 2023. Combined with the interim dividend of 15.0 pence per share declared by the Board on 11 August 2022, the total dividend for FY 2022 was 40.0 pence per share. Following the issue of a further 285,454 ordinary shares in the Company since 31 December 2022, the adjusted total dividend per share for the last financial year is 39.8 pence.

8. GENERAL MEETING

A notice convening a general meeting of the Company to be held at 10:30 a.m. on 7 December 2023 at 41 Portland Place, London, W1B 1QH is set out at the end of this document. A Form of Proxy to be used in connection with the General Meeting is enclosed. The purpose of the General Meeting is to seek Shareholders' approval for the Resolutions, summarised as follows:

- (A) *Resolution 1 (ordinary resolution)*: that pursuant to section 551 of the Companies Act, the Directors are authorised until the conclusion of the next annual general meeting of the Company to: (i) allot shares up to an aggregate nominal amount of £9,465,991, representing approximately 101.0% of the Company's current issued share capital as at the Latest Practicable Date, pursuant to or in connection with the Capital Raising and the Director and Senior Management Subscriptions; and (ii) make an offer or agreement in connection with the Capital Raising and the Director and Senior Management Subscriptions which would or might require shares to be allotted after expiry of this allotment authority;
- (B) *Resolution 2 (ordinary resolution)*: that the Directors are authorised until the conclusion of the next annual general meeting of the Company to allot up to 47,329,954 New Ordinary Shares pursuant to the Capital Raising and the Director and Senior Management Subscriptions at an issue price of 267, which is at a discount of 3.3% to the Closing Price at 20 November 2023 (being the last Business Day before the publication of this document) and otherwise on the terms set out in the Prospectus;
- (C) *Resolution 3 (ordinary resolution)*: that the subscription by Alantra of up to 11,235,955 New Ordinary Shares pursuant to the Capital Raising, be approved; and
- (D) *Resolution 4 (special resolution)*: that pre-emption rights are disapplied up to an aggregate nominal amount of £9,465,991, representing approximately 101.0% of the Company's current issued share capital as at the Latest Practicable Date, pursuant to or in connection with the Capital Raising and the Director and Senior Management Subscriptions, subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or legal or practical problems.

The full text of the Resolutions is set out in the Notice of General Meeting and a Form of Proxy to be used in connection with the General Meeting is enclosed. Voting on the Resolutions will be conducted by way of a poll and not by a show of hands.

As at the Latest Practicable Date, the Company holds no Ordinary Shares in treasury.

9. ACTION TO BE TAKEN

9.1 In respect of the General Meeting

Whilst Shareholders are able to attend and vote at the General Meeting in person, you are strongly encouraged to vote by proxy in advance of the meeting. You will find enclosed with this document a Form of Proxy to be used in connection with the General Meeting. To appoint a proxy you need to send back the Form of Proxy enclosed with this document to the Registrar as soon as possible and in any event so as to arrive no later than 10:30 a.m. on 5 December 2023, being 48 hours (excluding non-Business Days) before the time appointed for holding the General Meeting. It is recommended that Shareholders wishing to vote on the Resolutions complete the enclosed Form of Proxy and appoint the chair of the General Meeting as proxy, even if you intend to attend the meeting in person.

If you hold your Ordinary Shares in uncertificated form (i.e. in CREST), you may appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by the Registrar (ID RA19) by no later than 10:30 a.m. on 5 December 2023.

Alternatively, a proxy may be appointed electronically at www.sharevote.co.uk by the same time and date. You will need your Voting ID, Task ID and Shareholder Reference Number (these can be found on your Form of Proxy). Full instructions are given on the website. If you have already registered with Equiniti's online portfolio service, Shareview, you can submit your proxy by logging on to your portfolio at www.shareview.co.uk using your usual user ID and password.

Unless the Form of Proxy, other such electronic instrument or CREST Proxy Instruction is received by the date and time specified above, it will be invalid.

9.2 In respect of the Capital Raising

The latest time and date for acceptance and payment in full in respect of the Open Offer is expected to be 11:00 a.m. on 6 December 2023, unless otherwise announced by the Company.

Please refer to Part VI (*Questions and Answers about the Capital Raising*) and Part VII (*Terms and Conditions of the Capital Raising*) for further details of the Open Offer and the action to be taken, including the procedure for acceptance and payment. Further details also appear in the Application Form which will be sent to all Qualifying Non-CREST Shareholders (other than, subject to certain limited exceptions, those Qualifying Non-CREST Shareholders with a registered address in the Excluded Territories).

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsor regarding the action to be taken in connection with this document and the Capital Raising. If you are in any doubt as to the action you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA or, if you are outside the United Kingdom, by another appropriately authorised independent financial adviser.

10. IMPORTANCE OF VOTE

Your attention is again drawn to the fact that the Capital Raising is conditional and dependent upon, amongst other things, the Resolutions being passed at the General Meeting. Shareholders are asked to vote in favour of each of the Resolutions at the General Meeting in order for the Capital Raising to proceed. For the avoidance of doubt, the Resolutions are interdependent, and all Resolutions are required to be passed for the Capital Raising to proceed. Each Director who is able to vote at the General Meeting intends to vote in favour of the Resolutions.

The Capital Raising is expected to raise approximately £125 million in gross proceeds and approximately £116.7 million in net proceeds (after deduction of estimated commissions, fees, expenses and excluding VAT). The net proceeds are intended to be utilised to reduce Leverage and will allow Videndum to comply with its respective Financial Debt Covenants (as amended), whilst strengthening its balance sheet and providing additional flexibility to deliver its business priorities. In the opinion of the Company, taking into account the net proceeds of the Capital Raising (being approximately £116.7 million), the working capital available to the Group is sufficient for its present requirements (that is, for at least 12 months following the date of this document).

The Group has a £200 million Revolving Credit Facility which is due to mature in February 2026 (£168.5 million utilised as at 30 September 2023). The Group intends to use the Capital Raising proceeds to repay and cancel the remaining US\$55 million balances (as at the Latest Practicable Date) of its two bank term loans, which relate to the acquisitions of Savage and Audix, and to repay drawings under the Revolving Credit Facility.

Under the terms of the Existing Senior Financial Indebtedness (as amended) the Group is subject to Financial Debt Covenants in respect of its ratio of EBITA to Consolidated Net Interest Charges for each 12-month period: (A) ending 31 December 2023, being 2.0:1; (B) ending 31 March 2024, being 2.0 to 1; (C) ending 30 June 2024, being 3.25:1; (D) ending 30 September 2024, being 3.25 to 1; and (E) on 31 December 2024 and at each date falling six months thereafter, being 4.0 to 1. Additionally, the Group is subject to Financial Debt Covenants in respect of its ratio of Consolidated Net Borrowings to EBITDA for the 12-month period: (A) ending 31 December 2023, being 5.75 to 1; (B) ending 31 March 2024, being 4.25:1; (C) ending 30 June 2024 and 30 September 2024, being 3.75:1; and (D) ending 31 December 2024 and at each date falling six months thereafter, being 3.25:1.

However, if the proposed Capital Raising has launched on or before 30 November 2023, then the Group shall instead from the date of the launch be subject to Financial Debt Covenants in respect of its ratio of EBITA to Consolidated Net Interest Charges for each 12-month period: (A) ending 31 December 2023, being 1.25:1; (B) ending 31 March 2024, being 1.50 to 1; (C) ending 30 June 2024, being 1.75:1; (D) ending 30 September 2024, being 3.25 to 1; and (E) on 31 December 2024 and at each date falling six months thereafter, being 4.0 to 1. Additionally, the Group shall be subject to Financial Debt Covenants in respect of its ratio of Consolidated Net Borrowings to EBITDA for the 12-month period: (A) ending 31 December 2023, being 4.25 to 1; (B) ending 31 March 2024, being 4.25:1; (C) ending 30 June 2024 and 30 September 2024, being 3.75:1; and (D) ending 31 December 2024 and at each date falling six months thereafter, being 3.25:1.

To mitigate the impact of the current macroeconomic climate, destocking and the uncertainty relating to the impact and recovery from the US Writers' and Actors' Strikes on the Group's ability to comply with the terms of its Existing Senior Financial Indebtedness, the Group agreed with its lenders to certain amendments in respect thereof on 3 August 2023, 25 September 2023 and 10 November 2023.

Under the terms of these amendments, the Company agreed that in any scenario where the Capital Raising (or other announcement and release by the Company of a proposed issuance of share capital of at least £90 million in net proceeds) had not been announced and released by the Company on or before 30 November 2023, the Company would: (a) commence consultations with the lenders as to the financial condition and prospects of the Company and the Group; (b) prepare an alternative deleveraging plan in a form and substance satisfactory to the lenders by no later than 15 January 2024; and (c) apply any proceeds arising from certain disposals firstly towards payment instalments due in respect of the Audix Term Loan and Savage Term Loan and then, secondly, towards repayment and cancellation of its Existing Senior Financial Indebtedness on a pro rata basis. The publication of this document satisfies the requirement to announce and release the Capital Raising on or before 30 November 2023, which means the Group is not required to undertake the actions referred to above.

Consequences of the Capital Raising failing to complete

If the Resolutions are not passed at the General Meeting the Capital Raising will not proceed and therefore the Company will not have sufficient working capital. According to the projections of the Company's financial position, conducted in connection with the Capital Raising, in the Company's 'base case' scenario (as opposed to the 'reasonable worst-case' scenario detailed below), where the Capital Raising is not completed, the Company would expect to breach its Financial Debt Covenants on the Test Date falling on 31 March 2024 and 30 June 2024. Where the Capital Raising is not completed, according to the projections of the Company's financial position in its 'reasonable worst-case' scenario prepared in connection with the Capital Raising, the Company is expected to breach its Financial Debt Covenants as at the Test Dates falling on 31 December 2023, 31 March 2024 and 30 June 2024 contained within the Group's Existing Senior Financial Indebtedness (as amended). In addition, according to both the 'base case' and 'reasonable worst-case' scenarios, from February 2024 the Group's liquidity (being the combination of its undrawn committed facilities and its available cash balances) is expected to fall below that necessary for the normal operation of the Group, resulting, without the successful implementation of some of the mitigating action described below, in the Group being unable to access the funds required to manage its business or pay its costs as they fall due.

Moreover, the implementation of any of the cash saving measures described below are likely to restrict the Group's ability to implement its strategy in part or in full and would also likely impact the Group's covenant arrangements (as described above).

In these circumstances, the Company would attempt various mitigating actions including negotiations with its lenders to secure appropriate waivers or amendments. The Company has previously successfully secured amendments with its lenders, for example on 3 August 2023 and recently in connection with the Capital Raising on 25 September 2023, and 10 November 2023 in relation to certain of its Financial Debt Covenants (as described above), but securing such waivers or amendments is not wholly within the Company's control and there is no guarantee that such waivers or amendments could be secured prior to each relevant Test Date.

The Company may also seek to sell assets on an accelerated timeline in order to increase liquidity. As announced as part of Videndum's 2023 Half Year Results, the Board has already decided to exit the non-core medical market, and has exited the non-core gaming market, to concentrate R&D investment on the content creation market. As a result, Amimon was held for sale at 30 June 2023 and reported as a discontinued operation and certain trade and assets of Lightstream were disposed of by the Group on 2 October 2023. Neither the 'base case' nor the 'reasonable worst-case' scenario described above make any assumptions in relation to the sale of Amimon, given the sale is not fully within the Company's control. While the Company is already actively exploring the Amimon sale, were the 'base case' or 'reasonable worst-case' scenario described above to materialise, it expects efforts would be made to accelerate this process. However, the successful completion of such sale cannot be guaranteed, nor can it be guaranteed that it could be negotiated in a timely manner or at an acceptable price or (even if agreed) that any asset sales would ultimately be completed successfully.

Even if the above mitigations were successfully achieved, the Company may continue to need to implement cash-saving measures that are within its own control, for example reducing discretionary spending, increasing cost efficiencies, reducing R&D and further reductions in capital expenditure (for property, plant and equipment), that may restrict the Company's ability to implement its strategy more broadly. There are a number of challenges to the implementation of the actions outlined above, and there can be no assurance that they would be capable of implementation in a timely manner, nor that they would ultimately be successful in improving liquidity levels if they were implemented.

In a scenario where the above measures could not be completed successfully, the Company would, on the basis of the 'base case' and the 'reasonable worst-case' scenarios produced, be in breach of its Financial Debt Covenants (as amended) and/or suffer a shortfall in its liquidity.

Consequences of insufficient liquidity

In the event that the Capital Raising did not proceed and a breach of its Financial Debt Covenants, in the form described above, occurred, the Company's lenders under the Existing Senior Financial Indebtedness (as amended) would have the right to demand immediate repayment of all amounts due under such facilities (together approximately £213.6 million as at 30 September 2023). The Company would be unlikely to obtain the funds necessary to repay such amounts if they became immediately due and payable upon the demand of the lenders following a breach of its Financial Debt Covenants. In such circumstances, the Company may enter into administration or become subject to other insolvency proceedings, and Shareholders would be at risk of losing all or a substantial portion of their investment.

Furthermore, were the Company to have insufficient liquidity to manage its business or pay its costs as they fall due and none of the mitigating actions above were implemented successfully, the Company would likely be required to enter into administration or become subject to other insolvency proceedings, and Shareholders would, as noted above, be at risk of losing all or a substantial portion of their investment.

In conclusion, if the Capital Raising does not proceed, there can be no assurance that the Company will have sufficient working capital and will be able to avoid a breach of its Financial Debt Covenants or a shortfall in its liquidity, nor that the Company would be successful in implementing any of the mitigation actions described above and, even where these are implemented successfully, there can be no guarantee that these mitigation actions would be sufficient to resolve the Company's liquidity shortfall. Accordingly, the Board believes that the successful completion of the Capital Raising is in the best interests of Shareholders as a whole.

As such, Shareholders are asked to vote in favour of the Resolutions at the General Meeting to allow for the Capital Raising to proceed, assuming all other conditions to this are met.

11. WORKING CAPITAL AND GOING CONCERN

11.1 Working capital statement

As set out in section 13 (*Working Capital*) of Part XIII (*Additional Information*), in the opinion of the Company, taking into account the net proceeds of the Capital Raising (being approximately £116.7 million), the working capital available to the Group is sufficient for its present requirements (that is, for at least 12 months following the date of this document).

11.2 Going concern

The independent auditor's interim review report, incorporated by reference into this document as detailed in Part XIV (*Documents Incorporated by Reference*), with respect to the condensed financial statements for the six months ended 30 June 2023 detailed in the 2023 Half Year Results draws attention to Note 1 in such condensed set of financial statements, which indicates that there is a plausible downside scenario considered by the Board, which would result in both the covenants being breached in one of the test dates in the first half of 2024 and whereby liquidity drops to £nil in July 2024. Although the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification), the key judgment surrounding the material uncertainty is the length of time it will take to recover from the US Writers' and Actors' Strikes, in addition to the recovery from the broader macroeconomic challenges faced by the Group. These conditions alongside other matters explained in Note 1 to the condensed financial statements for the six months ended 30 June 2023, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The independent auditor's interim review opinion is not modified in respect of this matter.

Without prejudice to the going concern emphasis detailed in the 2023 Half Year Results, the Company is able to give the Working Capital Statement in section 13 (*Working Capital*) of Part XIII (*Additional Information*) as this Working Capital Statement takes into account the net proceeds of the Capital Raising, which were not included in the independent auditor's going concern analysis.

12. FURTHER INFORMATION

Your attention is drawn to the Risk Factors set out on pages 12 to 38 of this document, and to the information set out Part II (*Important Notices*) of this document.

You should not subscribe for any New Ordinary Shares except on the basis of information contained or incorporated by reference into this document and should read all of the information contained or incorporated by reference into this document before deciding on the action to take in respect of the General Meeting and/or the Capital Raising.

The results of the votes cast at the General Meeting will be announced as soon as possible once known through a Regulatory Information Service and on the Company's website (www.videndum.com). It is expected that this will be on 7 December 2023.

13. RELATED PARTY TRANSACTIONS

The Board considers the terms of the Capital Raising Related Party Transaction, as described herein, to be fair and reasonable as far as Shareholders are concerned and the Directors have been so advised by Rothschild & Co acting in its capacity as the Company's Sponsor.

In providing its advice to the Directors, Rothschild & Co has taken into account the Directors' commercial assessment of the Capital Raising Related Party Transaction.

14. DIRECTOR AND SENIOR MANAGEMENT COMMITMENTS

Each of the Directors, certain of the Senior Managers, and other members of senior management have committed to subscribe for New Ordinary Shares, at the Offer Price, in connection with the Capital Raising pursuant to direct subscription agreements with the Company (conditional upon Admission), the details of which are set out in following table (each a "**Director and Senior**

Management Subscription” and which, taken together, shall comprise the **“Director and Senior Management Subscriptions”**):

<u>Name</u>	<u>Existing Ordinary Shares beneficially held (as at the Latest Practicable Date)</u>	<u>Total investment in New Ordinary Shares pursuant to the Director and Senior Management Subscriptions (£)</u>
<i>Directors</i>		
Ian McHoul	20,000	50,000
Stephen Bird	235,477	250,000
Andrea Rigamonti	9,706	100,000
Anna Vikström Persson	0	70,000
Caroline Thomson	8,407	20,000
Dr Erika Schraner	3,805	10,000
Graham Oldroyd ¹	0	100,000
Teté Soto	1,691	10,000
Richard Tyson	2,654	10,000
Stephen Harris	0	300,000
<i>Senior Managers</i> ²		
Marco Pezzana	114,162	100,000
Nicola Dal Toso	15,452	60,000
Jon Bolton	34,797	12,000

In aggregate, 459,167 New Ordinary Shares are expected to be issued by the Company in connection with the Director and Senior Management Subscriptions and the Company will raise additional proceeds of approximately £1,226,000 (gross)³.

15. DIRECTORS' INTENTIONS AND RECOMMENDATION

The Board considers that the Capital Raising is in the best interests of the Shareholders of Videndum taken as a whole and unanimously recommends that you vote in favour of the Resolutions to be proposed at the General Meeting. Each Director who is able to vote at the General Meeting intends to vote in favour of the Resolutions.

In addition, each of the Directors has committed to subscribe for New Ordinary Shares, at the Offer Price, in connection with the Capital Raising pursuant to the Director and Senior Manager Subscriptions, as set out in paragraph 14 of this Part V (*Letter from the Chair of Videndum plc*).

Yours sincerely,

Ian McHoul
Chair

¹ Graham Oldroyd will hold the New Ordinary Shares issued pursuant to the Director and Senior Manager Subscriptions jointly with his spouse.

² The table refers to the relevant Senior Managers who are persons discharging managerial responsibilities.

³ This amount includes the amount to be invested by certain Senior Managers and certain other members of senior management who are not persons discharging managerial responsibilities.

PART VI

QUESTIONS AND ANSWERS ABOUT THE CAPITAL RAISING

The questions and answers below have been prepared to help Shareholders understand what is involved in the Capital Raising. These are in general terms only and, as such, you should not rely solely on them and should also read Part VII (Terms and Conditions of the Capital Raising) of this document for full details of the action you should take and the terms and conditions applicable to the Capital Raising. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

This Part VI (Questions and Answers about the Capital Raising deals with general questions relating to the Capital Raising and more specific questions relating to Shareholders who hold Existing Ordinary Shares in certificated form, as well as some more specific questions relating to Shareholders who hold Existing Ordinary Shares in uncertificated form (that is, through CREST). If you are a CREST sponsored member, you should also consult your CREST sponsor.

If you do not know whether your Existing Ordinary Shares are held in certificated or uncertificated form, please call the Shareholder Helpline on 0371 384 2050 (if calling from within the United Kingdom) or on +44 (0)371 384 2050 (if calling from outside the United Kingdom). The Shareholder Helpline is available from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales). Calls from outside the United Kingdom will be charged at the applicable international rate. Please note that, for legal reasons, the Shareholder Helpline will only be able to provide information contained in this document and will be unable to give advice on the merits of the Capital Raising or to provide financial, investment or taxation advice.

1. What is the Firm Placing and the Placing and Open Offer?

A firm placing and placing and open offer is a way for companies to raise money. They usually do this by giving their existing shareholders a right to subscribe for further shares at a fixed price in proportion to their existing shareholdings (an open offer) and providing for new investors to subscribe for new shares in the Company (a firm placing and a placing). The fixed price is normally at a discount to the closing mid-market price of the Existing Ordinary Shares prior to the announcement of the open offer.

2. What is the Company's Open Offer?

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to subscribe for an aggregate of 18,748,315 New Ordinary Shares at a price of 267 pence per New Ordinary Share. If you are a Qualifying Shareholder other than a Shareholder with a registered address in, subject to certain limited exceptions, the Excluded Territories, you will be entitled to subscribe for New Ordinary Shares under the Open Offer.

The Open Offer will be made on the basis of 2 New Ordinary Shares for every 5 Existing Ordinary Shares held by Qualifying Shareholders (other than Overseas Shareholders) on the Record Date. If your entitlement to New Ordinary Shares is not a whole number, your fractional entitlement will be rounded down in calculating your entitlement to New Ordinary Shares. Fractional entitlements to New Ordinary Shares will be aggregated and sold for the benefit of the Company under the Placing. New Ordinary Shares are being offered to Qualifying Shareholders in the Open Offer at a discount to the closing mid-market share price 20 November 2023 (being on the last Business Day before the publication of this document).

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST, and be enabled for settlement, the Open Offer Entitlements will not be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim.

New Ordinary Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their entitlements will have no rights nor

receive any benefit under the Open Offer. Any New Ordinary Shares which are not applied for under the Open Offer will be allocated to the Conditional Placees pursuant to the Placing, with the proceeds ultimately accruing for the benefit of the Company.

However, Shareholders should note that the Capital Raising is conditional upon: (i) the passing of the Resolutions at the General Meeting without material amendment; (ii) Admission becoming effective by not later than 8.00 a.m. on 8 December 2023 (or such later time and/or date as the Company, Sponsor and the Joint Bookrunners may agree); and (iii) the Placing Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been rescinded or terminated in accordance with its terms prior to Admission.

3. When will the Capital Raising take place?

The Capital Raising is subject to Admission of the New Ordinary Shares becoming effective by not later than 8:00 a.m. on 8 December 2023 or such later time and/or date as the Company, Sponsor and the Joint Bookrunners may agree.

4. What is an Application Form?

It is a form sent to those Qualifying Shareholders who hold their Ordinary Shares in certificated form. It sets out your entitlement to subscribe for the New Ordinary Shares and is a form which you should complete if you want to participate in the Open Offer.

5. What if I have not received an Application Form?

If you have not received an Application Form and you do not hold your Ordinary Shares in CREST, this probably means that you are not eligible to participate in the Open Offer. Some Qualifying Shareholders, however, will not receive an Application Form but may still be able to participate in the Open Offer, including:

- (A) Qualifying CREST Shareholders; and
- (B) Qualifying Non-CREST Shareholders who bought Ordinary Shares before the Ex-Entitlements Date but were not registered as the holders of those Ordinary Shares at the Record Date.

6. If I bought Ordinary Shares before 21 November 2023 (the Ex-Entitlements Date) will I be eligible to participate in the Open Offer?

If you bought Ordinary Shares before the Ex-Entitlements Date but you are not registered as the holder of those Ordinary Shares at 6.00 p.m. on 17 November 2023 you may still be eligible to participate in the Open Offer. If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement. You will not be entitled to the New Ordinary Shares in respect of any Ordinary Shares acquired on or after the Ex-Entitlements Date.

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

CREST members should follow the instructions set out in Part VII (*Terms and Conditions of the Capital Raising*) of this document. Persons who hold Ordinary Shares through a CREST member should be informed by the CREST member through which they hold their Ordinary Shares of the number of New Ordinary Shares which they are entitled to take up under the Open Offer and should contact them if they do not receive this information.

8. I hold my Ordinary Shares in certificated form. How do I know if I am eligible to participate in the Open Offer?

If you hold your Ordinary Shares in certificated form and receive an Application Form, and are not a Shareholder with a registered address in, subject to certain limited exceptions, any of the Excluded Territories, then you should be eligible to acquire New Ordinary Shares under the Open Offer (as long as you have not sold all of your Ordinary Shares before the Ex-Entitlements Date).

9. I hold my Existing Ordinary Shares in certificated form. How do I know how many New Ordinary Shares I am entitled to take up?

If you hold your Ordinary Shares in certificated form and, subject to certain limited exceptions, do not have a registered address in subject to certain limited exceptions, any of the Excluded Territories, you will be sent an Application Form that shows:

- in Box 1, how many Ordinary Shares you held at the Record Date;
- in Box 2, how many New Ordinary Shares are comprised in your Open Offer Entitlement; and
- in Box 3, how much you need to pay in Pounds Sterling if you want to take up your right to subscribe for all of your Open Offer Entitlement.

If you would like to apply for any or all of the New Ordinary Shares comprised in your Open Offer Entitlement, you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Completed Application Forms should be posted, along with a cheque or banker's draft drawn in the appropriate form, in the accompanying pre-paid envelope to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to be received by no later than 11:00 a.m. on 6 December 2023, after which time Application Forms will not be valid.

10. I hold my Existing Ordinary Shares in certificated form and am eligible to receive an Application Form. What are my options and what should I do with the Application Form?

(A) If you want to take up all of your Open Offer Entitlement

If you want to take up all of the New Ordinary Shares to which you are entitled, all you need to do is sign page 1 of the Application Form (ensuring that all joint holders sign (if applicable)) and send the Application Form, together with your cheque or banker's draft for the full amount, payable to "Equiniti Limited re Videndum Open Offer" and crossed "A/C payee only" for the amount shown in Box 3 of the Application Form, by post or by hand (during normal business hours only) to the Receiving Agent at Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom, to arrive by no later than 11:00 a.m. on 6 December 2023. Within the United Kingdom only, you can use the reply-paid envelope which will be enclosed with the Application Form. Full instructions are set out in Part VII (*Terms and Conditions of the Capital Raising*) of this document and will be set out in the Application Form.

Please note third-party cheques may not be accepted other than building society cheques or banker's drafts.

If payment is made by building society cheque (not being drawn on an account of the applicant) or a banker's draft, the building society or bank must endorse on the cheque or draft the applicant's name and the number of an account held in the applicant's name at the building society or bank, such endorsement being validated by a stamp and an authorised signature.

A definitive share certificate will then be sent to you in respect of the New Ordinary Shares that you take up. Your definitive share certificate for New Ordinary Shares is expected to be despatched to you by no later than 22 December 2023.

(B) If you do not want to take up your Open Offer Entitlement at all

If you do not want to take up your Open Offer Entitlement, you do not need to do anything. In these circumstances, you will not receive any New Ordinary Shares. You will also not receive any money when the New Ordinary Shares you could have taken up are sold, as would happen under a rights issue provided the price at which they are sold exceeds the costs and expenses of effecting the sale. You cannot sell your Open Offer Entitlement to anyone else. If you do not return your Application Form subscribing for the New Ordinary Shares to which you are entitled by 11:00 a.m. on 6 December 2023, the Company has made arrangements under which the Company has agreed to issue the New Ordinary Shares comprising your Open Offer Entitlement to the Conditional Placees. Qualifying Shareholders are, however, encouraged to vote at the General Meeting by attending in person or completing and returning the Form of Proxy enclosed with this document. You may also submit your Form of Proxy electronically at www.sharevote.co.uk using the Voting ID, Task ID and Shareholder Reference Number (SRN) printed on the Form of Proxy. Alternatively, if you have already registered with Equiniti's online portfolio service, Shareview, you can submit your Form of Proxy by logging on to

your portfolio at www.shareview.co.uk using your usual user ID and password. Full instructions are given on both websites.

If you do not take up any of your Open Offer Entitlement then following the issue of the New Ordinary Shares pursuant to the Capital Raising and the Director and Senior Management Subscriptions, your interest in the Company, as a percentage of Enlarged Share Capital, will be diluted by 50% as a result of the Capital Raising.

(C) If you want to take up some but not all of the New Ordinary Shares under your Open Offer Entitlement

If you want to take up some, but not all, of the New Ordinary Shares under your Open Offer Entitlement, you should write the number of New Ordinary Shares you want to take up in Box 4 of your Application Form; for example, if you have an Open Offer Entitlement for 50 New Ordinary Shares but you only want to apply for 25 New Ordinary Shares, then you should write "25" in Box 4 of the Application Form (ensuring that all joint holders sign (if applicable)) and return it with a cheque or banker's draft in pounds sterling, in accordance with the provisions set out in the Application Form. The Application Form and cheque or banker's draft must be received by 11:00 a.m. on 6 December 2023.

Further details are set out in Part VII (*Terms and Conditions of the Capital Raising*) of this document and will be set out in the Application Form.

11. What should I do if I live outside the United Kingdom?

While you have an entitlement to participate in the Open Offer, your ability to take up rights to New Ordinary Shares may be affected by the laws of the country in which you live, and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Open Offer Entitlements. Shareholders residing outside the United Kingdom should refer to section 7 (*Overseas shareholders*) of Part VII (*Terms and Conditions of the Capital Raising*).

PART VII
TERMS AND CONDITIONS OF THE CAPITAL RAISING

1. INTRODUCTION

The Company is proposing to raise gross proceeds of approximately £125 million pursuant to the Capital Raising. The Capital Raising consists of a Firm Placing of 28,122,472 New Ordinary Shares and a Placing and Open Offer of 18,748,315 New Ordinary Shares. The Firm Placees will not be able to participate in the Open Offer in respect of their Firm Placing Shares. The Open Offer is an opportunity for Qualifying Shareholders to apply for in aggregate 18,748,315 New Ordinary Shares pro rata to their current holdings at the Offer Price. Shareholders will not be charged expenses by the Company in respect of the Capital Raising.

The Offer Price of 267 pence per New Ordinary Share represents a discount of approximately 3.3% to the Closing Price of an Existing Ordinary Share of 276 pence on 20 November 2023 (being the last Business Day before the publication of this document).

The Capital Raising is conditional, among other things, upon:

- (A) the passing of the Resolutions at the General Meeting without material amendment;
- (B) Admission of the New Ordinary Shares becoming effective by not later than 8.00 a.m. on 8 December 2023 (or such later time and/or date as the Joint Bookrunners and the Company may agree in advance in writing); and
- (C) the Placing Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been rescinded or terminated in accordance with its terms prior to Admission.

In the event that these conditions are not satisfied, the Capital Raising will not proceed. In such circumstances, application monies will be returned without payment of interest, as soon as practicable thereafter.

The attention of Overseas Shareholders and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document into a jurisdiction other than the United Kingdom is drawn to section 7 (Overseas shareholders) of this Part VII (Terms and Conditions of the Capital Raising). In particular, subject to certain limited exceptions, Qualifying Shareholders with registered addresses in any of the Excluded Territories have not been and will not be sent Application Forms and have not had and will not have their CREST stock accounts credited with Open-Offer Entitlements.

2. TERMS AND CONDITIONS OF THE OPEN OFFER

Subject to the terms and conditions set out in this document (and, in the case of Qualifying Non-CREST Shareholders, the Application Form), the Open Offer Shares are being offered for acquisition by way of rights to Qualifying Shareholders on the following basis:

2 New Ordinary Shares at 267 pence per New Ordinary Share
for every 5 Existing Ordinary Shares

held and registered in their name at the Record Date and so in proportion for any other numbers of Existing Ordinary Shares then held.

Qualifying Shareholders may apply for any whole number of Open Offer Shares up to their Open Offer Entitlements. Fractions of Open Offer Shares will not be allotted and each Qualifying Shareholder's Open Offer Entitlements will be rounded down to the nearest whole number. The fractional entitlements will be aggregated and sold for the benefit of the Company under the Placing. Accordingly, Qualifying Shareholders with fewer than 5 Existing Ordinary Shares will not be entitled to take up any Open Offer Shares. Applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements.

Holdings of Ordinary Shares in certificated and uncertificated form have been treated as separate holdings for the purpose of calculating the Open Offer Entitlements.

If a Qualifying Shareholder who is not a Placee does not take up any of their Open Offer Entitlements, such Qualifying Shareholder's proportionate ownership and voting interests in the Company will be diluted by 50% as a result of the Capital Raising and the Director and Senior Management Subscriptions (assuming no Ordinary Shares are issued due to the vesting or exercise of any awards under any of the Company's share plans between the Latest Practicable Date and the completion of the Capital Raising).

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST, and be enabled for settlement, the Open Offer Entitlements will not be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim. New Ordinary Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their entitlements will have no rights nor receive any benefit under the Open Offer. Any New Ordinary Shares which are not applied for under the Open Offer will be allocated to Conditional Placees pursuant to the Placing, with the proceeds retained for the benefit of the Company.

Applications will be made to the FCA for the New Ordinary Shares to be admitted to the premium listing segment of the Official List, and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on the London Stock Exchange, at 8.00 a.m. on 8 December 2023.

If a Qualifying Shareholder does not, or is not permitted to, take up its entitlement to New Ordinary Shares, pursuant to the Placing Agreement, the Joint Bookrunners have also severally agreed to use reasonable endeavours to procure Conditional Placees to subscribe for New Ordinary Shares not validly taken-up by Qualifying Shareholders under the Open Offer ("**Non-Taken Up Shares**") (to the extent not already procured prior to the date of the Placing Agreement). To the extent that: (i) the Joint Bookrunners fail to procure subscribers in the Placing for such Non-Taken Up Shares (and/or to the extent that any Placee so procured fails to subscribe for any or all of the Non-Taken Up Shares allocated to it in the Placing (including by defaulting in paying the Offer Price in respect of the Non-Taken Up Shares so allocated to it or which it has agreed to subscribe at the Offer Price); and/or (ii) any Placee procured other than by the Joint Bookrunners fails to subscribe for any or all of the Non-Taken Up Shares allocated to it in the Placing (including by defaulting in paying the Offer Price in respect of such Non-Taken Up Shares allocated to it), then each of the Joint Bookrunners has agreed, on the terms and subject to the conditions set out in the Placing Agreement, severally (and not jointly or jointly and severally) to subscribe for such Open Offer Shares at the Offer Price in its Due Underwriting Proportions.

The Joint Bookrunners' obligations under the Placing Agreement are conditional prior to Admission. The Placing Agreement is not subject to any right of termination after Admission (including in respect of any statutory withdrawal rights). The Joint Bookrunners may arrange sub-underwriting for some, all or none of the Non-Taken Up Shares. A summary of certain terms and conditions of the Placing Agreement is contained in Section 10.1 of Part XIII (*Additional Information*) of this document.

The Joint Bookrunners and any of their affiliates may engage in trading activity in connection with their role under the Placing Agreement and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for their own account in securities of the Company and related or other securities and instruments (including New Ordinary Shares). The Joint Bookrunners do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In addition the Joint Bookrunners or their affiliates may enter into financing arrangements (including swaps) with investors in connection with which the Joint Bookrunners (or their affiliates) may from time to time acquire, hold or dispose of New Ordinary Shares.

The Capital Raising is conditional, among other things, upon: (A) the passing of the Resolutions at the General Meeting without material amendment; (B) Admission of the New Ordinary Shares becoming effective by not later than 8.00 a.m. on 8 December 2023 (or such later time and/or date as the Joint

Bookrunners and the Company may agree in advance in writing); and (C) the Placing Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been rescinded or terminated in accordance with its terms prior to Admission. In the event that the conditions are not satisfied, the Capital Raising will not proceed. In such circumstances, application monies will be returned without payment of interest, as soon as practicable thereafter.

No temporary documents of title will be issued in respect of the New Ordinary Shares held in uncertificated form. Definitive certificates in respect of New Ordinary Shares taken up are expected to be posted to the Qualifying Shareholders who have validly elected to hold their New Ordinary Shares in certificated form on or around 22 December 2023.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is required for the New Ordinary Shares and all of the New Ordinary Shares when issued and fully paid may be held and transferred by means of CREST. The Existing Ordinary Shares are, and when issued, the New Ordinary Shares will also be, in registered form and capable of being held in certificated form or uncertificated form via CREST. Applications will be made for the Open Offer Entitlements to be admitted to CREST as participating securities. Euroclear requires the Company to confirm to it that certain conditions are satisfied before Euroclear will admit the New Ordinary Shares to CREST. It is expected that these conditions will be satisfied on Admission. As soon as practicable after Admission, the Company will confirm this to Euroclear.

Subject to any relevant conditions being satisfied, it is expected that:

- (A) the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of Qualifying CREST Shareholders (other than, subject to certain exceptions, such Qualifying CREST Shareholders with registered addresses in the Excluded Territories) with such Shareholders' Open Offer Entitlements, with effect from 8.00 a.m. on 22 November 2023;
- (B) New Ordinary Shares in uncertificated form will be credited to the appropriate stock accounts of relevant Qualifying CREST Shareholders who validly take up their Open Offer Entitlements, as soon as practicable after 8.00 a.m. on 8 December 2023; and
- (C) share certificates for the New Ordinary Shares will be despatched to relevant Qualifying Non-CREST Shareholders who validly take up their Open Offer Entitlements by no later than 22 December 2023 at their own risk.

All Qualifying Shareholders taking up their Open Offer Entitlements will be deemed to have given the representations and warranties set out in Section 4 (in the case of Qualifying Non-CREST Shareholders), Section 5 (in the case of Qualifying CREST Shareholders) and Section 8 of this Part VII (*Terms and Conditions of the Capital Raising*) (as relevant), unless such requirement is waived in writing by the Company.

All documents and cheques posted to or by Qualifying Shareholders and/or their transferees or renouces (or their agents, as appropriate) will be posted at their own risk.

The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared after the date of allotment and issue of the New Ordinary Shares.

If the Capital Raising is delayed so that Application Forms cannot be despatched on 21 November 2023, the section of this document entitled "*Expected Timetable of Principal Events*" will be adjusted accordingly and the revised dates will be set out in the Application Forms and announced through a Regulatory Information Service, in which case all references in this Part VII (*Terms and Conditions of the Capital Raising*) should be read as being subject to such adjustment.

The aggregate expenses of, or incidental to, the Capital Raising to be borne by the Company are estimated to be approximately £8.4 million (excluding VAT). Accordingly, the net proceeds are expected to be £116.7 million (after deduction of estimated commissions, fees, expenses and excluding VAT). The Capital Raising is being fully underwritten by the Joint Bookrunners, subject to the conditions set out in the Placing Agreement.

3. ACTION TO BE TAKEN BY QUALIFYING SHAREHOLDERS IN CONNECTION WITH THE OPEN-OFFER

The action to be taken in respect of the Open Offer depends on whether, at the relevant time, a Qualifying Shareholder has received an Application Form in respect of their entitlement under the Open Offer or has had their Open Offer Entitlements credited to their CREST stock account.

If you are a Qualifying Non-CREST Shareholder and do not have a registered address in the United States or any of the other Excluded Territories (subject to certain limited exceptions), please refer to Section 4 of this Part VII (*Terms and Conditions of the Capital Raising*).

If you hold your Ordinary Shares in CREST and do not have a registered address in the United States or any of the other Excluded Territories (subject to certain limited exceptions), please refer to Section 5 of this Part VII (*Terms and Conditions of the Capital Raising*) and to the CREST Manual for further information on the CREST procedures referred to below.

CREST sponsored members should refer to their CREST sponsors, as only their CREST sponsors will be able to take the necessary actions specified below to apply under the Open Offer in respect of the Open Offer Entitlements of such members held in CREST.

If you have any questions relating to this document, or the completion and return of the Form of Proxy or Application Form, please call the Registrar on 0371-384-2050 (from within the United Kingdom) or on +44 371-384-2050 (if calling from outside the United Kingdom). Lines are open from 8.30 a.m. to 5.30 p.m. (UK time) Monday to Friday (excluding public holidays in England and Wales). Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Please note that the Registrar cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

4. ACTION TO BE TAKEN BY QUALIFYING NON-CREST SHAREHOLDERS IN CONNECTION TO THE OPEN OFFER

4.1 General

Application Forms are expected to be despatched to Qualifying Non-CREST Shareholders (other than, subject to certain exceptions, Qualifying Non-CREST Shareholders with registered addresses in the Excluded Territories) on 21 November 2023. The Application Form sets out:

- (i) in Box 1, on the Application Form, the holding of Existing Ordinary Shares on which a Qualifying Non-CREST Shareholder's entitlement to New Ordinary Shares has been based;
- (ii) in Box 2, the maximum number of Open Offer Shares for which such persons are entitled to apply under their Open Offer Entitlements, taking into account they will not be entitled to take up any fraction of a New Ordinary Share arising when their entitlement was calculated. The fractional entitlements will be aggregated and sold for the benefit of the Company under the Placing;
- (iii) in Box 3, how much they would need to pay in pounds sterling if they wish to take up their Open Offer Entitlements in full;
- (iv) the procedures to be followed if a Qualifying Non-CREST Shareholder wishes to dispose of all or part of their entitlement or to convert all or part of their entitlement into uncertificated form; and
- (v) instructions regarding acceptance and payment, consolidation and splitting.

Qualifying Non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Qualifying Non-CREST Shareholders may also hold an Application Form by virtue of a bona fide market claim.

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

The latest time and date for acceptance and payment in full will be 11:00 a.m. on 6 December 2023.

The New Ordinary Shares are expected to be issued on 8 December 2023. After such date the New Ordinary Shares will be in registered form, freely transferable by written instrument of transfer in the usual common form, or if they have been issued in or converted into uncertificated form, in electronic form under the CREST system.

Qualifying Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. Such Qualifying Shareholders will also not receive any money when the Open Offer Shares they could have taken up are sold, as would happen under a rights issue provided the price at which they are sold exceeds the costs and expenses of effecting the sale. Such Qualifying Shareholders cannot sell their Open Offer Entitlements to anyone else. If a Qualifying Shareholder does not return their Application Form subscribing for the Open Offer Shares to which they are entitled by 11:00 a.m. on 6 December 2023, the Company has made arrangements under which it has agreed to issue the Open Offer Shares comprising such Open Offer Entitlements to the Conditional Placees. Qualifying Shareholders are, however, encouraged to vote at the General Meeting by completing and returning the enclosed Proxy Form (either in hard copy or electronically) or by completing and transmitting a CREST Proxy Instruction.

4.2 Bona fide market claims

Applications to acquire Open Offer Shares may only be made using the Application Form and may only be made by the Qualifying Non-CREST Shareholder named on it or by a person entitled by virtue of a bona fide market claim in relation to a purchase of Ordinary Shares through the market prior to 8.00 a.m. on 21 November 2023 (the time at which the Ordinary Shares were marked 'ex' the entitlement to participate in the Open Offer). Application Forms may not be assigned, transferred or split, except to satisfy bona fide market claims prior to 3.00 p.m. on 4 December 2023.

The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of their holding of Ordinary Shares prior to the Ex-Entitlements Date, should consult their broker or other professional adviser as soon as possible, as the invitation to acquire New Ordinary Shares under the Open Offer may be a benefit which may be claimed by the transferee.

Qualifying Non-CREST Shareholders who have sold all of their registered holdings prior to 8.00 a.m. on 21 November 2023 should, if the market claim is to be settled outside CREST, complete Box 6 on the Application Form and immediately send it to the broker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee, or directly to the purchaser or transferee, if known. The Application Form should not, however, be forwarded to or transmitted in or into any of the Excluded Territories, including the United States. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in Section 5 below.

Qualifying Non-CREST Shareholders who have sold or otherwise transferred part only of their Existing Ordinary Shares shown on Box 1 of their Application Form prior to 8.00 a.m. on 21 November 2023 should, if the market claim is to be settled outside CREST, complete Box 6 of the Application Form and immediately deliver the Application Form, together with a letter stating the number of Application Forms required (being one for the Qualifying Non-CREST Shareholder in question and one for each of the purchasers or transferees), the total number of Existing Ordinary Shares to be included in each Application Form (the aggregate of which must equal the number shown in Box 1 of the Application Form) and the total number of Open Offer Entitlements to be included in each Application Form (the aggregate of which must equal the number shown in Box 2), to the broker, bank or other agent through whom the sale or transfer was effected or return it by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to be received by no later than 3.00 p.m. on 4 December 2023. The Receiving Agent will then create new Application Forms, mark the Application Forms 'Declaration of sale or transfer duly made' and send them by post to the person submitting the original Application Form. The Application Form should not, however, be forwarded to or transmitted in or into any of the Excluded Territories, including the United States.

4.3 Procedure for acceptance and payment

(A) Qualifying Non-CREST Shareholders who wish to accept in full

Holders of Application Forms who wish to subscribe for all of their Open Offer Shares should complete the Application Form in accordance with its instructions. If such holder wants to take up all of the Open Offer Shares to which they are entitled, they should sign page 1 of the Application Form (ensuring that all joint holders sign (if applicable)).

The Application Form must be returned, together with the cheque or banker's draft in pounds sterling, written in black ink, made payable to "Equiniti Limited re Videndum Open Offer" and crossed "A/C payee only", for the full amount payable on acceptance, in accordance with the instructions printed on the Application Form, by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to be received as soon as possible and, in any event, not later than 11:00 a.m. on 6 December 2023. A prepaid business reply envelope is enclosed with the Application Form (for use within the UK only) and it is recommended that you allow sufficient time for delivery (for instance, allowing 4 days for first class post within the UK). Payments via CHAPS, BACS or electronic transfer will not be accepted.

Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted the name of the account holder and has either added the building society or bank branch stamp or has provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted. Cheques must be drawn on an account at a bank or building society or a branch of a bank or building society which must be in the UK, the Channel Islands or the Isle of Man and which is either a settlement member of Cheque & Credit Clearing Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided by either of those companies. Cheques must bear the appropriate sorting code number in the top right-hand corner. Post-dated cheques will not be accepted.

(B) Qualifying Non-CREST Shareholders who wish to accept in part

Holders of Application Forms who wish to subscribe for some but not all of their Open Offer Shares should write the number of Open Offer Shares they wish to take up in Box 4 of their Application Form. To work out how much such Qualifying Shareholder needs to pay for the Open Offer Shares, they need to multiply the number of Open Offer Shares they want by the Offer Price and write this amount in Box 5, rounding down to the nearest whole penny.

The Application Form must be returned, together with the cheque or banker's draft in pounds sterling, written in black ink, made payable to "Equiniti Limited re Videndum Open Offer" and crossed "A/C payee only", for the full amount payable on acceptance, in accordance with the instructions printed on the Application Form, by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to be received as soon as possible and, in any event, not later than 11:00 a.m. on 6 December 2023. A prepaid business reply envelope is enclosed with the Application Form (for use within the UK only) and it is recommended that you allow sufficient time for delivery (for instance, allowing 4 days for first class post within the UK). Payments via CHAPS, BACS or electronic transfer will not be accepted.

Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted the name of the account holder and has either added the building society or bank branch stamp or has provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted. Cheques must be drawn on an account at a bank or building society or a branch of a bank or building society which must be in the UK, the Channel Islands or the Isle of Man and which is either a settlement member of Cheque & Credit Clearing Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided by either of those companies. Cheques must bear the appropriate sorting code number in the top right-hand corner. Post-dated cheques will not be accepted.

(C) Incorrect sums

If an Application Form encloses a payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right:

- to reject the application in full and return the cheque or refund the payment to the Qualifying Non-CREST Shareholder in question (without interest); or
- in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares as would be able to be applied for with that payment at the Offer Price, refunding any unutilised sum to the Qualifying Non-Crest Shareholder in question (without interest), save that any sums of less than £1.00 will be retained for the benefit of the Company; or

- in the case that an excess sum is paid, to treat the application as a valid application for all the New Ordinary Shares referred to in the Application Form, refunding any unutilised sums to the Qualifying Non-CREST Shareholder in question (without interest), save that any sums of less than £1.00 will be retained for the benefit of the Company.

(D) The Company's discretion as to validity of acceptances

If payment as set out in Section 4.3(E) of this Part VII (*Terms and Conditions of the Capital Raising*) is not received in full by 11:00 a.m. on 6 December 2023, the offer to subscribe for Open Offer Shares will be deemed to have been declined and will lapse. However, the Company (in consultation with the Joint Bookrunners) may, by mutual agreement, but shall not be obliged to, treat as valid (i) Application Forms and accompanying remittances that are received through the post not later than 5.00 p.m. on 6 December 2023 (the cover bearing a legible postmark not later than 11:00 a.m. on 6 December 2023); and (ii) acceptances in respect of which remittances for the full amount are received prior to 11:00 a.m. on 6 December 2023 from an authorised person (as defined in section 31(2) of FSMA) specifying the number of Open Offer Shares to be acquired and an undertaking by that person to lodge the relevant Application Form, duly completed, by 5.00 p.m. on 6 December 2023 and such Application Form is lodged by that time.

The Company, having consulted with the Joint Bookrunners, may also (in its absolute discretion) treat an Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney where required.

The Company reserves the right to treat as invalid any acceptance or purported acceptance of the Open Offer Shares that appears to the Company to have been executed in, despatched from, or that provides an address for delivery of definitive share certificates for New Ordinary Shares in, an Excluded Territory.

A Qualifying Non-CREST Shareholder who makes a valid acceptance and payment in accordance with this paragraph is deemed to request that the Open Offer Shares to which they will become entitled be issued to them on the terms set out in this document and the Application Form and subject to the Articles of Association.

(E) Payments

All payments made by Qualifying Non-CREST Shareholders must be made in pounds sterling by cheque or banker's draft, written in black ink, made payable to "Equiniti Limited re Videndum Open Offer", and crossed "A/C payee only". Third-party cheques may not be accepted except building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the back of the cheque or have provided a supporting letter confirming the source of funds. Cheques or banker's drafts must be drawn on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank or building society which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by either of these companies. Such cheques and banker's drafts must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Post-dated cheques will not be accepted. Payments via CHAPS, BACS or electronic transfer will not be accepted.

The Company reserves the right to have cheques and banker's drafts presented for payment on receipt. No interest will be allowed on payments made before they are due and any interest on such payments will be paid to the Company. It is a term of the Open Offer that cheques or banker's drafts must be honoured on first presentation and the Company may elect to treat as invalid any acceptances in respect of which cheques or banker's drafts are not honoured. Return of the Application Form with a cheque will constitute a warranty that the cheque will be honoured on first presentation.

If cheques or banker's drafts are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be kept in a non-interest-bearing account retained for the Company until all conditions are met. If the Open Offer does not become unconditional, no New Ordinary Shares will be issued and all monies will be returned (at the applicant's sole risk) to applicants, without payment of interest, either as a cheque by first class post to the address set out on

the Application Form or returned direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn, in each case, as soon as practicable, following the lapse of the Open Offer.

If Open Offer Shares are allotted to a Qualifying Shareholder prior to any payment not being so honoured or such Qualifying Shareholders' acceptances being treated as invalid, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements for the sale of such shares on behalf of those Qualifying Shareholders and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that it has suffered as a result of the acceptance being treated as invalid and of the expenses of sale including, without limitation, any stamp duty or SDRT payable on the transfer of such shares, and of all amounts payable by such Qualifying Shareholders pursuant to the provisions of this Part VII (*Terms and Conditions of the Capital Raising*) in respect of the acquisition of such shares) on behalf of such Qualifying Shareholders. None of the Company, the Joint Bookrunners or any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by Qualifying Shareholders as a result.

The provisions of this Section 4.3(E) of this Part VII (*Terms and Conditions of the Capital Raising*) and any other terms of the Capital Raising relating to Qualifying Non-CREST Shareholders may be waived, varied or modified as regards specific Qualifying Non-CREST Shareholder(s) or on a general basis by the Company.

(F) Effect of application

By completing and delivering an Application Form the applicant:

- represents and warrants to each of the Company and the Joint Bookrunners that they have the right, power and authority, and have taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise their rights, and perform their obligations, under any contracts resulting therefrom and that they are not person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- agrees with each of the Company and the Joint Bookrunners that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations relating thereto, shall be governed by, and construed in accordance with, the laws of England and Wales;
- confirms to each of the Company and the Joint Bookrunners that in making the application they are not relying on any information or representation other than that contained in this document (or incorporated by reference in), and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any information or representation not so contained and further agrees that, having had the opportunity to read this document including any documentation incorporated by reference, they will be deemed to have had notice of all the information contained in this document (including information incorporated by reference);
- confirms to each of the Company and the Joint Bookrunners that in making the application they are not relying and have not relied on the Joint Bookrunners or any other person affiliated with the Joint Bookrunners in connection with any investigation of the accuracy of any information contained in this document or their investment decision;
- represents and warrants to each of the Company and the Joint Bookrunners that if they have received some or all of their Open Offer Entitlements from a person other than the Company, they are entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a bona fide market claim;
- represents and warrants to each of the Company and the Joint Bookrunners that they are the Qualifying Shareholder(s) originally entitled to the Open Offer Entitlements or that they have received such Open Offer Entitlements by virtue of a bona fide market claim;
- represents and warrants to each of the Company and the Joint Bookrunners that they are not, nor are they applying on behalf of any person who is: (a) located, a citizen or resident, or a corporation, partnership or other entity created or organised in or under any laws, in or of any Excluded Territory or any jurisdiction in which the application for Open Offer Shares is prevented by law; and (b) applying with a view to re-offering, reselling, transferring or delivering any of the

Open Offer Shares which are the subject of their application to, or for the benefit of, a person who is located, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, in or of any Excluded Territory or any jurisdiction in which the application for New Ordinary Shares is prevented by law, nor acting on behalf of any such person on a non-discretionary basis nor a person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;

- represents and warrants to each of the Company, the Joint Bookrunners and the Receiving Agent that: (a) the representations and warranties described in Section 8.3 of Part VII (*Terms and Conditions of the Capital Raising*) of this document are true and accurate; or (b) they have executed and returned to the Company an Investor Representation Letter as described in Section 8.4 of Part VII (*Terms and Conditions of the Capital Raising*) of this document;
- represents and warrants to each of the Company and the Joint Bookrunners that they are not, and nor are they applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986; and
- requests that the Open Offer Shares to which they will become entitled be issued to them on the terms set out in this document, subject to the Articles of Association.

4.4 Money Laundering Regulations

To ensure compliance with the Money Laundering Regulations, the Receiving Agent may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Application Form is lodged with payment (which requirements are referred to below as the verification of identity requirements). If an application is made by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Receiving Agent. In such case, the lodging agent's stamp should be inserted on the Application Form. The person lodging the Application Form with payment (the applicant), including any person who appears to the Receiving Agent to be acting on behalf of some other person, shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as the Receiving Agent may require to satisfy the verification of identity requirements and agree for the Receiving Agent to make a search using a credit reference agency for the purpose of confirming such identity and, where deemed necessary, a record of the search will be retained. Submission of an Application Form will constitute a warranty that the Money Laundering Regulations will not be breached by the acceptance of the remittance and an undertaking by the applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purpose of the Money Laundering Regulations.

If the Receiving Agent determines that the verification of identity requirements apply to any applicant or application, the relevant Open Offer Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant applicant unless and until the verification of identity requirements have been satisfied in respect of that applicant or application. The Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied, and none of the Receiving Agent, the Company or the Joint Bookrunners will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays and potential rejection of an application. If, within a reasonable period of time following a request for verification of identity, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the application monies will be returned (at the applicant's risk) without interest to the account of the bank or building society on which the relevant cheque or banker's draft was drawn.

The verification of identity requirements will not usually apply where:

- (A) the applicant is an organisation required to comply with the EU Money Laundering Directive (2005/60/EC);
- (B) the applicant is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;
- (C) the applicant (not being an applicant who delivers his/her application in person) makes payment by way of a cheque drawn on an account in the name of such applicant; or
- (D) the aggregate price for taking up the relevant Open Offer Shares is less than EUR 15,000 (or its pounds sterling equivalent).

Submission of the Application Form with the appropriate remittance will constitute a warranty to each of the Company and the Joint Bookrunners from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

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

- (i) if payment is made by building society cheque (not being a cheque drawn on an account of the applicant) or banker's draft, by the building society or bank endorsing on the back of the cheque or draft the applicant's name and the number of an account held in the applicant's name at such building society or bank, such endorsement being validated by a stamp, an authorised signature or provided a supporting letter confirming the source of funds; or
- (ii) if the Application Form(s) is/are lodged with payment by an agent which is an organisation of the kind referred to in sub-section (A) above or which is subject to anti-money laundering regulations in a country which is a member of the Financial Action Task Force (the non-EU members of which are Argentina, Australia, Brazil, Canada, Gibraltar, Hong Kong, Iceland, Japan, Mexico, Luxembourg, New Zealand, Norway, the Russian Federation, Singapore, South Africa, Switzerland, Turkey and the United States and, by virtue of their membership of the Gulf Co-operation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE), the agent should provide with the Application Form(s) written confirmation that it has that status and written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Receiving Agent and/or any relevant regulatory or investigatory authority. In order to confirm the acceptability of any written assurance referred to in this sub-section (ii), or in any other case, the applicant should contact the Receiving Agent by telephone on 0371-384-2050 (from within the United Kingdom) or on +44 371-384-2050 (if calling from outside the United Kingdom). Lines are open from 8.30 a.m. to 5.30 p.m. (UK time) Monday to Friday (excluding public holidays in England and Wales). Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Please note that the Receiving Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

4.5 Deposit of Open-Offer Entitlements into CREST

If a Qualifying Non-CREST Shareholder wishes to deposit its Open Offer Entitlements into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of the person entitled by virtue of a bona fide market claim) please refer to Section 5.3 of this Part VII (*Terms and Conditions of the Capital Raising*).

4.6 Issue of New Ordinary shares in definitive form

Definitive share certificates in respect of the Open Offer Shares to be held in certificated form are expected to be despatched by post by no later than 22 December 2023, at the risk of persons entitled thereto, to Qualifying Non-CREST Shareholders or to persons entitled thereto or, in the case of joint holdings, to the first-named Shareholder, in each case at their registered address (unless lodging agent details have been completed on the Application Form).

5. ACTION TO BE TAKEN BY QUALIFYING CREST SHAREHOLDERS IN CONNECTION TO THE OPEN OFFER

(A) General

Subject as provided in Sections 7 and 8 in this Part VII (*Terms and Conditions of the Capital Raising*) in relation to Qualifying Shareholders with registered addresses, or who are resident or located in the United States or any of the other Excluded Territories, each Qualifying CREST Shareholder is expected to receive a credit to their CREST stock account for their Open Offer Entitlements equal to the maximum number of Open Offer Shares for which they are entitled to apply under the Open Offer on 22 November 2023. The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements have been allocated.

Fractions of Open Offer Shares will not be allotted and each Qualifying Shareholder's Open Offer Entitlements will be rounded down to the nearest whole number. The fractional entitlements will be aggregated and sold for the benefit of the Company under the Placing.

If for any reason it is impracticable to credit the stock accounts of Qualifying CREST Shareholders, Application Forms shall, unless the Company determines otherwise, be sent out in substitution for the Open Offer Entitlements which have not been so credited or enabled and the expected timetable as set out in this document will be adjusted as appropriate.

References to dates and times in this document should be read as subject to any such adjustment. The Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates, but Qualifying CREST Shareholders may not receive any further written communication.

CREST members who wish to take up all or part of their entitlements in respect of, or otherwise to transfer all or part of, their Open Offer Entitlements held by them in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below. Any CREST sponsored member should consult their relevant CREST sponsor if they wish to take up their entitlement, as only their CREST sponsor will be able to take the necessary action to take up their entitlements in respect of Open Offer Shares.

(B) Bona fide market claims

The Open Offer Entitlements will constitute a separate security for the purposes of CREST and will have a separate ISIN. Although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim transaction.

Should a transaction be identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlements will generate an appropriate market claim and the relevant Open Offer Entitlements will thereafter be transferred accordingly.

(C) Procedure for acceptance and payment

(i) USE Instructions

CREST members who wish to take up all or part of their entitlement to Open Offer Shares in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE Instruction to Euroclear which, on its settlement, will have the following effect:

- (a) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with the number of Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and
- (b) the creation of a settlement bank payment obligation (as this term is defined in the CREST Manual), in accordance with the RTGS payment mechanism (as this term is defined in the CREST Manual), in favour of the RTGS settlement bank of the Receiving Agent in respect of the amount specified in the USE Instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in sub-section (a) above.

(ii) Contents of USE Instructions in respect of Open Offer Entitlements

- (a) The USE Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:
- (b) the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlements being delivered to the Receiving Agent);
- (c) the participant ID of the accepting CREST member;
- (d) the member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (e) the participant ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 2RA60;
- (f) the member account ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is RA373901;
- (g) the number of Open Offer Shares that the CREST member is expecting to receive on settlement of the USE Instruction. This must be the same as the number of Open Offer Shares to which the application is being made;
- (h) the amount payable by means of the CREST assured payment arrangements on settlement of the USE Instruction. This must be the full amount payable on application for the number of Open Offer Shares to which the application is being made;
- (i) the intended settlement date (which must be on or before 11:00 a.m. on 6 December 2023);
- (j) the ISIN for the Open Offer Entitlements which is GB00BQHPT807;
- (k) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST;
- (l) a contact name and telephone number (in the free format shared note field); and
- (m) a priority of at least 80.

If the conditions to the Open Offer are not fulfilled on or before 8.00 a.m. on 8 December 2023, or such other time and/or date as may be agreed between the Company and the Joint Bookrunners, the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest as soon as practicable thereafter.

(D) Valid acceptance

A USE Instruction complying with each of the requirements as to authentication and contents set out in Section 5(C)(i) of this Part VII (*Terms and Conditions of the Capital Raising*) will constitute a valid acceptance under the Open Offer.

(E) Incorrect or incomplete applications

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

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

(F) Effect of application

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with this Section 5 of this Part VII (*Terms and Conditions of the Capital Raising*) thereby:

- represents and warrants to each of the Company and the Joint Bookrunners that they have the right, power and authority, and have taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise their rights, and perform their obligations, under any contracts resulting therefrom and that they are not person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- agrees with each of the Company and the Joint Bookrunners to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay the amount payable on application);
- agrees with each of the Company and the Joint Bookrunners that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations relating thereto, shall be governed by, and construed in accordance with, the laws of England and Wales;
- confirms to each of the Company and the Joint Bookrunners that in making the application they are not relying on any information or representation other than that contained in this document (or incorporated by reference in), and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any information or representation not so contained and further agrees that, having had the opportunity to read this document, including any documentation incorporated by reference, they will be deemed to have had notice of all the information contained in this document (including information incorporated by reference);
- confirms to each of the Company and the Joint Bookrunners that in making the application they are not relying and have not relied on the Joint Bookrunners or any other person affiliated with the Joint Bookrunners in connection with any investigation of the accuracy of any information contained in this document or their investment decision;
- represents and warrants to each of the Company and the Joint Bookrunners that if they have received some or all of their Open Offer Entitlements from a person other than the Company, they are entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a bona fide market claim;
- represents and warrants to each of the Company and the Joint Bookrunners that they are the Qualifying Shareholder(s) originally entitled to the Open Offer Entitlements or that they have received such Open Offer Entitlements by virtue of a bona fide market claim;
- represents and warrants to each of the Company and the Joint Bookrunners that they are not, nor are they applying on behalf of any person who is: (a) located, a citizen or resident, or a corporation, partnership or other entity created or organised in or under any laws, in or of any Excluded Territory or any jurisdiction in which the application for Open Offer Shares is prevented by law; and (b) applying with a view to reoffering, reselling, transferring or delivering any of the Open Offer Shares which are the subject of their application to, or for the benefit of, a person who is located, a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws, in or of any Excluded Territory or any jurisdiction in which the application for New Ordinary Shares is prevented by law, nor acting on behalf of any such person on a non-discretionary basis nor a person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- represents and warrants to each of the Company, the Joint Bookrunners and the Receiving Agent that: (a) the representations and warranties described in Section 8.3 of Part VII (*Terms and Conditions of the Capital Raising*) of this document are true and accurate; or (b) they have executed and returned to the Company an Investor Representation Letter as described in Section 8.4 of Part VII (*Terms and Conditions of the Capital Raising*) of this document;

- represents and warrants to each of the Company and the Joint Bookrunners that they are not, and nor are they applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986; and
- requests that the Open Offer Shares to which they will become entitled be issued to them on the terms set out in this document, subject to the Articles of Association.

(G) CREST procedures and timings

CREST members and CREST sponsors (on behalf of CREST sponsored members) should note that Euroclear does not make available special procedures in CREST for any particular corporate action.

Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that their CREST sponsor takes) the action necessary to ensure that a valid acceptance is received as stated above by 11:00 a.m. on 6 December 2023. In this connection, CREST members and (where applicable) CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(H) Company's discretion as to rejection and validity of acceptances

The Company may (having consulted with the Joint Bookrunners) agree in its absolute discretion to:

- (i) reject any acceptance constituted by a USE Instruction, which is otherwise valid, in the event of breach of any of the representations, warranties and undertakings set out or referred to in this Section 5 of this Part VII (*Terms and Conditions of the Capital Raising*) (and, to the extent applicable, pursuant to Section 8.2 of this Part VII (*Terms and Conditions of the Capital Raising*)). Where an acceptance is made as described in this Section 5 of this Part VII (*Terms and Conditions of the Capital Raising*) which is otherwise valid, and the USE Instruction concerned fails to settle by 11:00 a.m. on 6 December 2023 (or by such later time and date as the Company and the Joint Bookrunners may determine), the Company and the Joint Bookrunners shall be entitled to assume, for the purposes of the Company's right to reject an acceptance as described in this Section 5 of this Part VII (*Terms and Conditions of the Capital Raising*), that there has been a breach of the representations, warranties and undertakings set out or referred to in this Section 5 of this Part VII (*Terms and Conditions of the Capital Raising*);
- (ii) treat as valid (and binding on the CREST member or CREST sponsored member concerned) an acceptance which does not comply in all respects with the requirements as to validity set out or referred to in this Section 5 of this Part VII (*Terms and Conditions of the Capital Raising*);
- (iii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid acceptance in substitution for, or in addition to, an USE Instruction and subject to such further terms and conditions as the Company and the Joint Bookrunners may determine;
- (iv) treat a properly authenticated dematerialised instruction (in this sub-section the first instruction) as not constituting a valid acceptance if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the Uncertificated Securities Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (v) accept an alternative instruction or notification from a CREST member or (where applicable) a CREST sponsor, or extend the time for acceptance and/or settlement of an USE Instruction or any alternative instruction or notification if, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to take up all or part of his/her Open Offer Entitlements by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of

CREST (or of any part of CREST) or on the part of facilities and/or systems operated by the Receiving Agent in connection with CREST.

5.2 Money Laundering Regulations

If a person holds their Existing Ordinary Shares in CREST and applies to take up all or part of their entitlement as agent for one or more persons, and they are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, the Receiving Agent is required to take reasonable measures to establish the identity of the person or persons on whose behalf the person is making the application. Such person must therefore contact the Receiving Agent before sending any USE Instruction or other instruction so that appropriate measures may be taken.

Submission of an USE Instruction which constitutes, or which may on its settlement constitute, a valid acceptance as described above constitutes a warranty and undertaking by the applicant to provide promptly to the Receiving Agent any information the Receiving Agent may specify as being required for the purposes of the Money Laundering Regulations or FSMA. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent, having consulted with the Company and the Joint Bookrunners, may take, or omit to take, such action as it may determine to prevent or delay settlement of the USE Instruction. If satisfactory evidence of identity has not been provided within a reasonable time, then the Receiving Agent will not permit the USE Instruction concerned to proceed to settlement, but without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure by the applicant to provide satisfactory evidence.

5.3 Deposit of Open Offer Entitlements into, and withdrawal from, CREST

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

A Qualifying Non-CREST Shareholder who wishes to make such a deposit should sign and complete Box 9 of their Application Form, entitled 'CREST Deposit Form' and then deposit their Application Form with the CCSS. In addition, the normal CREST stock deposit procedures will need to be carried out, except that: (a) it will not be necessary to complete and lodge a separate CREST transfer form (as prescribed under the Stock Transfer Act 1963) with the CCSS; and (b) only the Open Offer Entitlements shown in Box 2 of the Application Form may be deposited into CREST.

If you have received your Application Form by virtue of a bona fide market claim, the declaration in Box 6 must be made or (in the case of an Application Form which has been split) marked 'Declaration of sale or transfer duly made'. If you wish to take up your Open Offer Entitlements, the CREST Deposit Form in Box 9 of your Application Form must be completed and deposited with the CCSS in accordance with the instructions above. A holder of more than one Application Form who wishes to deposit Open Offer Entitlements shown on those Application Forms into CREST must complete Box 9 of each Application Form.

In particular, having regard to normal processing times in CREST and on the part of Equiniti, the recommended latest time for depositing an Application Form with the CCSS, where the person entitled wishes to hold the Open Offer Entitlements set out in such Application Form as Open Offer Entitlements in CREST, is 3.00 p.m. on 1 December 2023.

Delivery of an Application Form with the CREST deposit form duly completed, whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and Equiniti by the relevant CREST member(s) that they are not in breach of the provisions of the notes under the section headed Application Letter on page 3 of the Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that they are not located in, or citizen(s) or resident(s) of, any Excluded Territory or any jurisdiction in which the application for Open Offer Shares is prevented by law, and that they are not located in the United States and, where

such deposit is made by a beneficiary or a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a bona fide market claim.

The recommended latest time for receipt by Euroclear of a properly authenticated dematerialised instruction requesting withdrawal of Open Offer Entitlements, from CREST is 4.30 p.m. on 30 November 2023, so as to enable the person acquiring Open Offer Shares, following the conversion to take all necessary steps in connection with taking up the entitlement prior to 11:00 a.m. on 6 December 2023. It is recommended that Qualifying CREST Shareholders refer to the CREST Manual for details of such procedures.

5.4 Right to allot/issue in certificate form

Despite any other provision of this document, the Company reserves the right to allot and to issue any New Ordinary Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST (or of any part of CREST) or of a part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

6. WITHDRAWAL RIGHTS

Persons wishing to exercise statutory withdrawal rights after the issue by the Company of a prospectus supplementing this document, if any, must do so by sending a written notice of withdrawal, which must include the full name and address of the person wishing to exercise such right of withdrawal and, if such person is a CREST member, the participant ID and the member account ID of such CREST member, to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA (for further details, Shareholders should contact the Receiving Agent by telephone on 0371-384-2050 (from within the United Kingdom) or on +44 371-384-2050 (if calling from outside the United Kingdom). Lines are open from 8.30 a.m. to 5.30 p.m. (UK time) Monday to Friday (excluding public holidays in England and Wales) no later than two Business Days after the date on which the supplementary prospectus is published, with any withdrawal becoming effective on receipt of such notice by the Receiving Agent. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Please note that the Receiving Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. Notice of withdrawal given by any other means or which is deposited with or received by the Receiving Agent after expiry of such period will not constitute a valid withdrawal.

Furthermore, the exercise of withdrawal rights will not be permitted after payment in full by the relevant person in respect of their Open Offer Shares taken up and the allotment of those Open Offer Shares to such person becoming unconditional. In such circumstances, Shareholders are advised to consult their professional advisers.

7. OVERSEAS SHAREHOLDERS

This document has been approved by the FCA, being the competent authority in the UK. It is expected that Qualifying Shareholders in the UK and each EEA State will be able to participate in the Open Offer.

It is the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside the UK wishing to take up rights under the Open Offer to satisfy themselves as to the full observance of the laws of any relevant territory in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories.

The comments set out in this Section 7 of this Part VII (*Terms and Conditions of the Capital Raising*) are intended as a general guide only, and any Overseas Shareholder who is in doubt as to their position should consult their professional adviser without delay.

7.1 General

The distribution of this document and the Application Form and the making of the Open Offer to persons resident in, or who are citizens of, or who have a registered address in, countries other than the UK may be affected by the law of the relevant jurisdiction. Those persons should consult their

professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to participate in the Open Offer.

This Section 7 of this Part VII (*Terms and Conditions of the Capital Raising*) sets out the restrictions applicable to Qualifying Shareholders who have registered addresses outside the UK, who are citizens or residents of countries other than the UK, or who are persons (including, without limitation, custodians, nominees and trustees) who have a contractual or legal obligation to forward this document to a jurisdiction outside the UK or who hold Ordinary Shares for the account or benefit of any such person.

New Ordinary Shares will be provisionally allotted to all Qualifying Shareholders, including Overseas Shareholders. However, Application Forms will not be sent to, and Open Offer Entitlements will not be credited to CREST accounts of, Overseas Shareholders with registered addresses in the Excluded Territories or to their agent or intermediary, except where the Company and the Joint Bookrunners are satisfied that such action would not result in a contravention of any registration or other legal requirement in any such jurisdiction.

Having considered the circumstances, the Directors have formed the view that it is necessary or expedient to restrict the ability of Qualifying Shareholders in the United States and the other Excluded Territories to participate in the Open Offer due to the time and costs involved in the registration of this document and/or compliance with the relevant local legal or regulatory requirements in those jurisdictions.

Receipt of this document and/or an Application Form or the crediting of Open Offer Entitlements to a stock account in CREST does not and will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this document and/or an Application Form must be treated as sent for information only and should not be copied or redistributed. No person who has received or receives a copy of this document and/or an Application Form and/or who receives a credit of Open Offer Entitlements to a stock account in CREST in any territory other than the UK may treat the same as constituting an invitation or offer to them nor should they in any event use the Application Form or deal with Open Offer Entitlements in CREST, in the relevant territory, unless such an invitation or offer could lawfully be made to them and the Application Form or Open Offer Entitlements in CREST could lawfully be used or dealt with, without contravention of any registration or other legal or regulatory requirements.

Accordingly, persons who have received a copy of this document or an Application Form, or whose stock account in CREST is credited with Open Offer Entitlements, should not, in connection with the Capital Raising, distribute or send the same in or into, or transfer Open Offer Entitlements to any person in or into, any Excluded Territory. If an Application Form or a credit of Open Offer Entitlements in CREST is received by any person in any such territory, or by their agent or nominee, they must not seek to take up the rights referred to in the Application Form or in this document, or renounce the Application Form, or transfer the Open Offer Entitlements in CREST, unless the Company determines (in consultation with the Joint Bookrunners) that such actions would not violate applicable legal or regulatory requirements. Any person who does forward this document or an Application Form in or into any such territories (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this Section 7 of this Part VII (*Terms and Conditions of the Capital Raising*).

Subject to Sections 7.2 and 7.4 of this Part VII (*Terms and Conditions of the Capital Raising*), any person (including, without limitation, agents, nominees and trustees) outside the UK wishing to take up their Open Offer Entitlements must satisfy themselves as to full observance of the applicable laws of any relevant territory, including obtaining any requisite governmental or other consents, observing any other requisite formalities, and paying any issue, transfer or other taxes due in such territories. **Any Qualifying Shareholder who is in any doubt as to their position should consult their professional advisers without delay.**

The Company may treat as invalid any acceptance or purported acceptance of the offer of Open Offer Entitlements which appears to the Company (in consultation with the Joint Bookrunners), or its agents, to have been executed, effected or despatched in a manner which may involve a breach of the laws or regulations of any jurisdiction or if, in the case of an Application Form, it provides for an address for delivery of the share certificates in or, in the case of a credit of New Ordinary Shares in CREST, a CREST member or CREST sponsored member whose registered address is in, any of the Excluded Territories or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver

such share certificates or make such a credit, or if the Company (in consultation with the Joint Bookrunners), or its agents, believe that the same may violate applicable legal or regulatory requirements. The attention of Qualifying Shareholders with registered addresses in, or who are resident or otherwise located in, the United States or holding Ordinary Shares on behalf of persons with such addresses is drawn to Section 7.2 of this Part VII (*Terms and Conditions of the Capital Raising*). The attention of Qualifying Shareholders with registered addresses in other territories outside of the UK or holding Ordinary Shares on behalf of persons with such addresses is drawn to Section 7.4 of this Part VII (*Terms and Conditions of the Capital Raising*).

Despite any other provision of this document or the Application Form, the Company reserves the right to permit any Qualifying Shareholder to take up their rights if the Company (in consultation with the Joint Bookrunners) in its sole and absolute discretion is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question. If the Company is so satisfied, the Company will arrange for the relevant Qualifying Shareholder to be sent an Application Form if they are a Qualifying Non-CREST Shareholder or, if they are a Qualifying CREST Shareholder, arrange for Open Offer Entitlements to be credited to the relevant CREST stock account.

Those Qualifying Shareholders who wish, and are permitted, to take up their entitlement should note that payments must be made as described in Sections 4 and 5 of this Part VII (*Terms and Conditions of the Capital Raising*).

The provisions of this Section 7 of this Part VII (*Terms and Conditions of the Capital Raising*) will apply to all Overseas Shareholders who do not or are unable to take up New Ordinary Shares provisionally allotted to them.

Specific restrictions relating to certain jurisdictions are set out below.

7.2 United States

Subject to certain limited exceptions, this document and the Application Forms are intended for use only in connection with offers and sales of New Ordinary Shares outside the United States and are not to be sent or given to any person with a registered address, or who is resident or located in, the United States. Subject to certain limited exceptions, neither this document nor the Application Forms constitute or will constitute an offer, or an invitation to apply for, or an offer or invitation to acquire, any New Ordinary Shares in the United States. Except in the limited circumstances described below, Application Forms have not been, and will not be, sent to, and Open Offer Entitlements have not been, and will not be, credited to, the CREST account of any Qualifying Shareholder with a registered address in the United States.

The New Ordinary Shares and the Open Offer Entitlements have not been and will not be registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States, and may not be offered, sold, pledged, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, into or within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The New Ordinary Shares and the Open Offer Entitlements have not been approved, disapproved or recommended by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon the adequacy or accuracy of this document or the Application Form. Any representation to the contrary is a criminal offence in the United States.

The Company reserves the right to treat as invalid any Application Form: (i) that appears to it or its agents to have been executed in or despatched from the United States or that provides an address in the United States for the acceptance or renunciation of the Open Offer; (ii) that does not include the relevant warranty set out in paragraph 10 of the Application Letter on page 3 of the Application Form to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States and is not acquiring the New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares in the United States; or (iii) where the Company believes acceptance of such Application Form may violate applicable legal or regulatory requirements, and the Company shall not be bound to allot (on a non-provisional basis) or issue any New Ordinary Shares in respect of any such Application Form. In addition, the Company and the Joint Bookrunners reserve

the right to reject any USE Instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of Open Offer Entitlements.

Subject to certain limited exceptions, neither this document nor the Application Form constitutes, or will constitute, or forms part of any offer or invitation to sell, issue or apply for, or any solicitation of any offer to purchase, subscribe for, or take up entitlements to the New Ordinary Shares to any person with a registered address in, or who is resident or located in, the United States. Notwithstanding the foregoing, subject to certain limited exceptions, the New Ordinary Shares may be offered or sold to, and Application Forms may be delivered to, Permitted US Shareholders in the Open Offer pursuant to an applicable exemption from the registration requirements of the US Securities Act.

Any person in the United States who obtains a copy of this document or an Application Form and who is not a Permitted US Shareholder is required to disregard them. Permitted US Shareholders that satisfy the Company as to their status may exercise the Open Offer Entitlements by delivering a properly completed Application Form to the Company in accordance with the procedures set out by the Company. Permitted US Shareholders must also complete, execute and return to the Company, an Investor Representation Letter as described in Section 8.4 of Part VII (Terms and Conditions of the Capital Raising) of this document, and Permitted US Shareholders may be required to make certain certifications in the Application Form for the Open Offer Entitlements. The Company has the discretion to refuse to accept any Application Form that is incomplete, unexecuted or not accompanied by an executed Investor Representation Letter or any other required additional documentation.

Potential purchasers of the New Ordinary Shares in the United States are advised to consult legal counsel prior to making any offer for, resale, pledge or other transfer of such New Ordinary Shares. Until 40 days after the commencement of the Capital Raising, an offer, sale or transfer of the New Ordinary Shares within the United States by a dealer (whether or not participating in the Capital Raising) may violate the registration requirements of the US Securities Act. No representation has been, or will be, made by the Company or the Joint Bookrunners as to the availability of Rule 144 under the US Securities Act or any other exemption under the US Securities Act or any state securities laws for the reoffer, pledge or transfer of the New Ordinary Shares.

For the purposes of the Capital Raising, the Company will be relying on an exemption from the registration requirements of the US Securities Act for an offer and sale that do not involve a public offering in the United States.

7.3 US transfer restrictions: procedures for purchasing New Ordinary Shares in the United States

The delivery of the Application Form, and the offering and sale of the New Ordinary Shares in the United States to Permitted US Shareholders are being made in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The New Ordinary Shares and the Open Offer Entitlements have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, may not be offered, sold, pledged, taken up, exercised, resold, renounced or otherwise transferred or delivered, directly or indirectly, into or within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act or pursuant to an effective registration statement under the US Securities Act.

In order to take up Open Offer Entitlements or otherwise acquire any New Ordinary Shares, each Permitted US Shareholder will be required to execute and deliver to the Company such certifications and other instruments as the Company shall, in its sole discretion, determine.

7.4 Other Excluded Territories

Due to restrictions under the securities laws of the Excluded Territories, and subject to certain exceptions, no Application Forms will be sent to, and no Open Offer Entitlements will be credited to, a stock account in CREST of, persons with registered addresses, or who are resident or located, in the Excluded Territories. Subject to certain exceptions, the Application Forms and the New Ordinary Shares may not be transferred or sold to, or renounced or delivered in, the Excluded Territories. No offer of New Ordinary Shares is being made by virtue of this document or the Application Forms into the Excluded Territories.

7.5 Overseas territories other than the Excluded Territories

Application Forms will be posted to Qualifying Non-CREST Shareholders (other than, subject to certain limited exceptions, those Qualifying Non-CREST Shareholders who have registered addresses in the Excluded Territories) and Open Offer Entitlements have been and, where relevant, will be credited to the CREST stock accounts of Qualifying CREST Shareholders (other than, subject to certain limited exceptions, those Qualifying CREST Shareholders who have registered addresses in the Excluded Territories). Qualifying Shareholders in jurisdictions other than the Excluded Territories may, subject to the laws of their relevant jurisdiction, accept their rights under the Capital Raising in accordance with the instructions set out in this document and, in the case of Qualifying Non-CREST Shareholders only, the Application Form.

Qualifying Shareholders who have registered addresses in or who are resident in, or who are citizens of countries other than the United Kingdom should consult their appropriate professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Open Offer Entitlements or accept the offer of New Ordinary Shares.

If you are in any doubt as to your eligibility to accept the offer of New Ordinary Shares, you should contact your appropriate professional adviser immediately.

EEA States

In relation to each EEA State (each, a “**Relevant Member State**”), no New Ordinary Shares have been offered or will be offered pursuant to the Capital Raising to the public in that Relevant Member State prior to the publication of a prospectus in relation to the New Ordinary Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the Relevant Member State, all in accordance with the EU Prospectus Regulation, except, New Ordinary Shares may be offered to the public in that Relevant Member State at any time:

- (i) to any legal entity which is a qualified investor as defined under Article 2 of the EU Prospectus Regulation;
- (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the EU Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Co-ordinators for any such offer; or
- (iii) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of New Ordinary Shares shall require the Company or any Joint Bookrunner to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation and each person who initially acquires any New Ordinary Shares or to whom any offer is made under the Capital Raising will be deemed to have represented, warranted, acknowledged, and agreed to and with the Joint Bookrunners that it is a “qualified investor” within the meaning of Article 2(e) of the EU Prospectus Regulation.

For this purpose, the expression “an offer of any New Ordinary Shares to the public” in relation to any New Ordinary Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Capital Raising and any New Ordinary Shares to be offered so as to enable an investor to decide to acquire any New Ordinary Shares.

In the case of the New Ordinary Shares being offered to a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation, such financial intermediary will also be deemed to have represented, warranted, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(e) of the EU Prospectus Regulation and (a) the New Ordinary Shares acquired by it have not been acquired on a nondiscretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, or in circumstances in which the prior consent of the Joint Global Co-ordinators has been obtained to each such proposed offer or resale; or (b) where New Ordinary Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those New Ordinary Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons. The Company, the Joint Bookrunners and their respective affiliates will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

7.6 UK

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

- (A) to any legal entity which is a “qualified investor”, as defined under Article 2 of the Prospectus Regulation;
- (B) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Co-ordinators for any such offer; or
- (C) in any other circumstances falling within Section 86 of FSMA,

provided that no such offer of New Ordinary Shares shall require the Company or any Joint Bookrunner to publish a prospectus pursuant to Section 85 of FSMA or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person who initially acquires any New Ordinary Shares or to whom any offer is made under the Capital Raising will be deemed to have represented, acknowledged, and agreed to and with the Joint Bookrunners that it is a “qualified investor” within the meaning of Article 2(e) of the Prospectus Regulation.

For this purpose, the expression “an offer of any New Ordinary Shares to the public” in relation to any New Ordinary Shares in the UK means the communication in any form and by any means of sufficient information on the terms of the Capital Raising and any New Ordinary Shares to be offered so as to enable an investor to decide to acquire any New Ordinary Shares.

In the case of the New Ordinary Shares being offered to a financial intermediary, as that term is used in the Prospectus Regulation, such financial intermediary will also be deemed to have represented, warranted, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(e) of the Prospectus Regulation and (a) the New Ordinary Shares acquired by it have not been acquired on a nondiscretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in the UK other than qualified investors, or in circumstances in which the prior consent of the Joint Global Co-ordinators has been obtained to each such proposed offer or resale; or (b) where New Ordinary Shares have been acquired by it on behalf of persons in the UK other than qualified investors, the offer of those New Ordinary Shares to it is not treated under the Prospectus Regulation as having been made to such persons. The Company, the Joint Bookrunners and their respective affiliates will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

8. ADDITIONAL REPRESENTATIONS AND WARRANTIES RELATING TO OVERSEAS TERRITORIES

8.1 Qualifying Non-CREST Shareholders

Any person accepting an Application Form or purchasing the New Ordinary Shares represents and warrants to the Company and the Joint Bookrunners that, except where proof has been provided to the Company’s satisfaction that such person’s use of the Application Form or purchase of the New Ordinary Shares will not result in the contravention of any applicable legal or regulatory requirement in any jurisdiction: (i) such person is not accepting an Application Form, or purchasing the relevant New Ordinary Shares, from within the United States or is otherwise located in the United States; (ii) such person is not in any of the other Excluded Territories or in any territory in which it is otherwise unlawful to make or accept an offer to acquire New Ordinary Shares or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within the Excluded Territories, and in particular such person is not accepting for the account or benefit of any person who is located in the United States unless: (a) the instruction to accept was received from a person outside the United States; and (b) the person giving such instruction has confirmed that it has the authority to give such instruction, and either: (x) has investment discretion over such account; or (y) is an investment manager or investment company that is acquiring the New Ordinary Shares in an “offshore transaction” within the meaning of Regulation S; and (iv) such person is not acquiring New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares into the United States or any territory referred to in (ii) above. The

Company may treat as invalid any acceptance or purported acceptance of the allotment of New Ordinary Shares comprised in, or renunciation or purported renunciation of, an Application Form if it: (a) appears to the Company to have been executed in or despatched from the United States or any of the other Excluded Territories or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if the Company or its agents believe the same may violate any applicable legal or regulatory requirement; (b) provides an address in the United States or any of the other Excluded Territories for delivery of definitive share certificates for New Ordinary Shares or any jurisdiction outside the United Kingdom in which it would be unlawful to deliver such certificates; or (c) purports to exclude the warranty required by this Section.

8.2 Qualifying CREST Shareholders

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part VII (*Terms and Conditions of the Capital Raising*) represents and warrants to the Company and the Joint Bookrunners that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) such person is not accepting or requesting registration of the relevant New Ordinary Shares from within the United States or is otherwise located in the United States; (ii) such person is not in any of the other Excluded Territories or in any territory in which it is otherwise unlawful to make or accept an offer to acquire New Ordinary Shares; (iii) such person is not acting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within the Excluded Territories, and in particular such person is not accepting for the account or benefit of any person who is located in the United States unless: (a) the instruction to accept was received from a person outside the United States; and (b) the person giving such instruction has confirmed that it has the authority to give such instruction, and either: (x) has investment discretion over such account; or (y) is an investment manager or investment company that is acquiring the New Ordinary Shares in an "offshore transaction" within the meaning of Regulation S; and (iv) such person is not acquiring New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares into the United States or any territory referred to in (ii) above.

The Company may treat as invalid any USE Instruction which appears to the Company to have been despatched from the United States, any of the other Excluded Territories or from any territory in which it is otherwise unlawful to make or accept an offer to acquire New Ordinary Shares, or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if the Company or its agents believes the same may violate any applicable legal or regulatory requirement or purports to exclude the warranty required by this Section.

8.3 Further representations applicable to Qualifying Shareholders outside the United States

Each person or purchaser (except for Permitted US Shareholders executing an Investor Representation Letter) that exercises its Open Offer Entitlements, or otherwise acquires any New Ordinary Shares in the Capital Raising will also be deemed by its subscription for, or purchase of, the New Ordinary Shares to represent, warrant and agree that:

- (A) it is, and the person, if any, for whose account or benefit it is acting is, outside the United States (within the meaning of Regulation S) at the time (x) it, or its direct or indirect nominee, receives the New Ordinary Shares, (y) it, or its direct or indirect nominee, subscribes for New Ordinary Shares, and (z) if it is purchasing New Ordinary Shares, the buy order for such securities is originated outside the United States;
- (B) it understands that the New Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and are subject to significant restrictions on transfer;
- (C) if in the future it decides to offer, sell, transfer, assign or otherwise dispose of the New Ordinary Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act;
- (D) it has carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the New Ordinary Shares to any persons within the United States, nor will it do any of the foregoing;

- (E) the Company and the Joint Bookrunners and their affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and will not recognise any offer, sale, pledge or other transfer of the securities made other than in compliance with the above stated restrictions; and
- (F) if any of the representations or agreements made by it are no longer accurate or have not been complied with, it will immediately notify the Company and the Joint Bookrunners, and, if it is acquiring any New Ordinary Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and it has full power to make such foregoing representations and agreements on behalf of each such account.

8.4 Further representations applicable to Qualifying Shareholders within the United States

A Permitted US Shareholder will be permitted to take up its entitlements to Open Offer Shares under the Open Offer only if such Permitted US Shareholder executes an Investor Representation Letter in the form provided by the Company, which will contain representations, warranties and agreements as set out by the Company, and delivers it to the Company in accordance with the instructions contained therein.

9. WAIVER

The provisions of Sections 7 and 8 of this Part VII (*Terms and Conditions of the Capital Raising*) and of any other terms of the Capital Raising relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholder(s) or on a general basis by the Company in its absolute discretion. Subject to this, the provisions of Sections 7 and 8 of this Part VII (*Terms and Conditions of the Capital Raising*) supersede any terms of the Capital Raising inconsistent herewith. References in Sections 7 and 8 of this Part VII (*Terms and Conditions of the Capital Raising*) and in this Section 9 of this Part VII (*Terms and Conditions of the Capital Raising*) to Shareholders shall include references to the person or persons executing an Application Form and, in the event of more than one person executing an Application Form, the provisions of this Section 9 of this Part VII (*Terms and Conditions of the Capital Raising*) shall apply to them jointly and to each of them.

10. TAXATION

Certain information on taxation in the United Kingdom and the United States with regard to the Open Offer, Firm Placing and Placing is set out in Part XII (*Taxation*) of this document. The information contained in Part XII (*Taxation*) is intended only as a general guide to certain aspects of the current tax position in the United Kingdom and the United States and Qualifying Shareholders and prospective investors in the United Kingdom and the United States should consult their own tax advisers regarding the tax treatment of the Open Offer, Firm Placing and Placing and the holding of New Ordinary Shares in light of their own circumstances. **Qualifying Shareholders and prospective investors who are in any doubt as to their tax position or who are subject to tax in any other jurisdiction should consult an appropriate professional adviser as soon as possible.**

Qualifying Shareholders and prospective investors should note that the tax legislation of their jurisdiction of tax residence may, for example, have an impact on the tax treatment of any dividends which they receive in respect of New Ordinary Shares.

11. TIMES AND DATES

The Company shall, in its discretion and after consultation with its financial and legal advisers, be entitled to amend the date that Application Forms are despatched or dealings in New Ordinary Shares commence and amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this document, and in such circumstances shall notify the FCA, and a Regulatory Information Service and, if appropriate, Shareholders.

12. SHARE PLANS

Participants in the Company's Share Plans will be contacted separately with further information on how their options and awards granted under the Share Plans may be affected by the Capital Raising.

13. GOVERNING LAW AND JURISDICTION

The terms and conditions of the Capital Raising as set out in this document and the Application Form (where appropriate) and any non-contractual obligation arising out of or related thereto shall be governed by, and construed in accordance with, English law. The courts of England and Wales shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Capital Raising, this document or the Application Form (where appropriate). By accepting entitlements under the Capital Raising in accordance with the instructions set out in this document and, in the case of Qualifying Non-CREST Shareholders only, the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART VIII

BUSINESS AND MARKET OVERVIEW

1. OVERVIEW

Videndum is a leading global provider of premium branded hardware products and software solutions to the content creation accessory industry. The Group's brands are leaders in defensible niche markets, in terms of premium products, technology innovation and/or market share.

Customers include TV broadcasters, film studios, production and rental companies, photographers, ICCs, vloggers/influencers, professional musicians, governments and enterprises.

Videndum's products typically attach to, or support, a camera—primarily for broadcast, cinematic, video, photographic, audio and smartphone applications—and are offered as a cohesive package. Its product portfolio includes: camera supports (tripods and heads), video transmission systems and monitors, live streaming solutions, smartphone accessories, robotic camera systems, prompters, LED lighting, mobile power, carrying solutions, backgrounds, motion control, audio capture, and noise reduction equipment. The Group, from continuing and discontinued operations, had revenue of £451.2 million and Adjusted Operating Profit of £60.0 million for the year ended 31 December 2022; from continuing operations, for the year ended 31 December 2022, revenue was £442.5 million and Adjusted Operating Profit was £64.2 million and, for the half year ended 30 June 2023, revenue was £165.0 million and Adjusted Operating Profit was £15.2 million.

The Group has a decentralised structure organised into three Divisions: Media Solutions, Production Solutions and Creative Solutions. Each Division operates in markets which provide attractive long-term growth drivers for Videndum, supported by the strength of the Company's brands and its focus on technology innovation, manufacturing and operational excellence, and its global distribution capabilities. The Group's senior management team is highly experienced, with an average tenure of ten years.

Operational Structure

- **Media Solutions**

The Media Solutions Division designs, manufactures and distributes premium branded equipment for photographic and video cameras and smartphones, and provides dedicated solutions to professional and amateur photographers/videographers, ICCs, vloggers/influencers, enterprises, governments and professional musicians. This includes camera supports (tripods and heads), smartphone and vlogging accessories, lighting supports and controls, LED lights, motion control, audio capture and noise reduction equipment, camera bags and backgrounds, marketed under the most recognised accessories brands in the industry. Media Solutions represented approximately 50% of Group revenue in 2022. For the year ended 31 December 2022, Media Solutions had revenue of £217.8 million, with an Adjusted Operating Profit of £33.1 million.

- **Production Solutions**

The Production Solutions Division designs, manufactures and distributes premium branded and technically advanced products and solutions for broadcasters, film and video production companies, ICCs and enterprises. Products include video fluid heads, tripods, LED lighting, batteries, prompters and robotic camera systems. It also supplies premium services including equipment rental and technical solutions. Production Solutions represented approximately 30% of Group revenue in 2022. For the year ended 31 December 2022, Production Solutions had revenue of £137.8 million, with an Adjusted Operating Profit of £31.4 million.

- **Creative Solutions**

The Creative Solutions Division develops, manufactures and distributes premium branded products and solutions for film and video production companies, ICCs, enterprises and broadcasters. Products include wired and wireless video transmission and lens control systems, live streaming solutions, monitors and camera accessories. Creative Solutions represented approximately 20% of Group revenue in 2022. For the year ended 31 December 2022, Creative Solutions had revenue of £95.6 million, with an Adjusted Operating Profit of £12.5 million.

The Group employs around 1,700 people across the world in 10 different countries and sells into over 100 countries. The UK accounts for only 9% of the Group's revenue for the year ended 31 December

2022. The Group has R&D centres in the UK, Italy, US and Israel, and well-invested, major manufacturing facilities in the UK, Italy and Costa Rica. The Group also has a Far East procurement centre in Shenzhen, China.

2. THE IMPACT OF THE US WRITERS' AND ACTORS' STRIKES, MACROECONOMIC HEADWINDS AND DESTOCKING

2.1 Introduction

From late 2022, the Group began to feel the impact of the pressure that consumers were facing on a macroeconomic level. The environment has deteriorated since then and remains challenging, there has not yet been a recovery in the consumer or ICC segments, and retailers and distributors are increasingly concerned about high interest rates and levels of working capital, which had led to retailers and distributors commencing to destock the levels of inventory that they were holding from late 2022.

During early H1 2023, contract renewal negotiations started between the WGA and AMPTP which subsequently broke down and the WGA called a writers' strike for the first time since 2007. The strike officially commenced on 2 May 2023, however, in the months prior to the writers' strike, speculation about a potential strike caused some US cine/scripted TV productions to be paused. From 2 May 2023, the majority of US cine/scripted TV productions were suspended. On 14 July 2023, SAG-AFTRA, the actors' union, who had also been conducting its own contract renewal negotiations with the AMPTP, also entered into a strike.

The US Writers' and Actors' Strikes continued longer than expected, and the addition of the actors resulted in such strikes having a wider geographic spread as some productions were halted in continental Europe and the United Kingdom. In addition, the strikes have had a deeper impact on the Group's customer base, including the independent content creator segment, and led to the delay in the sale of new product launches.

On 24 September 2023, the WGA announced that they had reached a tentative agreement on a new 2023 Minimum Basic Agreement which will be applicable for the next three years. On 26 September 2023, the WGA further announced that the Negotiating Committee, the WGAW Board and WGAE Council had voted unanimously to recommend the agreement, and that the agreement would go to the guilds' membership for a ratification vote. The WGAW Board and WGAE Council also voted to lift the restraining order and end the strike as of 27 September 2023, which allowed writers to return to work during the ratification process. On 9 October 2023, the WGA announced that 99% of WGA members voted in favour of ratifying the new 2023 Minimum Basic Agreement, which represents an end to the WGA strike.

The SAG-AFTRA strike was separate from the WGA strike, and the actors remained on strike until 9 November 2023 when SAG-AFTRA announced that they had reached a tentative agreement with AMPTP on a new contract for its members, which SAG-AFTRA's national board voted to recommend on 10 November 2023. The announcement represents a tentative end to the SAG-AFTRA strike, subject to the SAG-AFTRA Member Ratification, and members will return to work during the ratification process. While there can be no certainty over the outcome of the ratification process, the Company expects the agreement to be ratified by SAG-AFTRA's members and the end of the strike to become permanent, based on the overwhelming ratification of the new 2023 Minimum Basic Agreement by WGA members and the positive public response of SAG-AFTRA members to the proposed deal in the aftermath of SAG-AFTRA's announcement.

Despite the downward trajectory of the macroeconomic environment from 2022, prior to the impact of the US Writers' and Actors' Strikes, Videndum delivered record financial performance in 2022 as the Group emerged strongly from the COVID-19 pandemic period and also benefitted from the inclusion of some of its recent acquisitions, and experienced favourable foreign exchange rates. During 2022 from continuing and discontinued operations:

- revenue increased 14%, from £394.3 million in 2021 to £451.2 million in 2022, with organic constant currency revenue slightly ahead year on year;
- Adjusted Operating Profit increased 30%, from £46.2 million in 2021 to £60.0 million in 2022;
- Adjusted Basic Earnings Per Share increased 29% from 69.9p in 2021 to 90.1p in 2022; and
- Videndum acquired Audix LLC for consideration of US\$45.8 million.

2.2 Impact of the US Writers' and Actors' Strikes, macroeconomic headwinds and destocking on the Group

The continued deterioration in the macroeconomic environment, the resulting destocking, and the impact of the US Writers' and Actors' Strikes have had a significant impact on Videndum. These headwinds resulted in Group revenue from continuing operations in H1 2023 decreasing by 25% compared to H1 2022. Management estimates that the attributable impacts in H1 2023 included destocking of c.£20 million, the demand in consumer and ICC segments of c.£20 million, and the US Writers' and Actors' Writers' Strike of c.£20 million.

The US Writers' and Actors' Strikes have significantly affected demand for the Group's high-end cine and scripted TV products in the US, which contribute to c.20% of Group revenue. The US Writers' and Actors' Strikes continued longer than expected, and the addition of the actors resulted in such strikes having a wider geographic spread as some productions were halted in continental Europe and the United Kingdom, as well as impacting the ICC segment of the market. While a number of specific segments (e.g. lighting controls, flowtech, audio) continue to perform strongly and a deal has been announced to tentatively end the SAG-AFTRA strike (subject to the SAG-AFTRA Member Ratification), the pace and shape of the recovery from the US Writers' and Actors' Strikes remains uncertain.

Although the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification), it is not yet clear how the Group's customers will react or when productions will restart, and Videndum expects the immediate impact of the end of the US Writers' and Actors' on its operations to the end of 2023 to be limited. Therefore, there remains uncertainty about the potential outcomes of the US Writers' and Actors' Strikes, and it is difficult to provide financial guidance. Nonetheless, the Directors expect that productions are likely to restart in January, and that Videndum will benefit from a recovery in cine revenue once they do.

Within each of Videndum's three divisions:

- (A) market conditions are challenging for Media Solutions, with demand in the consumer segment (c.20%) and high-end professional segment (c.25%) remaining low and ICCs (c.55%) deferring spend. This deferral of spend and related destocking is expected to continue to impact Media Solutions through H2 2023 and into 2024 as retail and distribution partners look to reduce cash tied up in stock. Revenue was down 26% to £82.3 million in H1 2023 (H1 2022: £111.5 million), and Adjusted Operating Profit was down 49% to £9.5 million (H1 2022: £18.8 million).
- (B) continuing destocking and the US Writers' and Actors' Strikes impacted Production Solutions. Overall, revenue in Production Solutions was down 23% to £51.7 million in H1 2023 (H1 2022: £67.5 million, notwithstanding that the H1 2022 comparative includes revenues from a quadrennial event, the Winter Olympics), and Adjusted Operating Profit was down 51% to £7.3 million in H1 2023 (H1 2022: £15.0 million).
- (C) the US Writers' and Actors' Strikes have had the most pronounced impact on Creative Solutions, where the majority of products are used in cine/scripted television. In addition, the US Writers' and Actors' Strikes have pushed out the low end, low margin sector of the market. Live production revenue was significantly down as Videndum repositioned the brand towards the higher margin, higher end of the live production market. Revenue is down 23% to £31.0 million in H1 2023 (H1 2022: £40.4 million), and Adjusted Operating Profit is down 47% to £3.7 million (H1 2022: £7.0 million).

The US Writers' and Actors' Strikes have also delayed sales of Videndum's new product launches. One example is the new "Salt-E Dog" sustainable portable power solution from Anton/Bauer for the cine market, which was well received by customers when it was launched earlier this year, though sales are yet to materialise as a result of the delays caused by the US Writers' and Actors' Strikes.

2.3 The Group's immediate response to the US Writers' and Actors' Strikes, macroeconomic headwinds and destocking

Videndum is actively managing the business to cut costs and to preserve cash while seeking to ensure that it is well placed to take advantage of the recovery from the US Writers' and Actors' Strikes, productions restarting, and any improvement in the wider macroeconomic environment. To

offset the impact of the prolonged US Writers' and Actors' Strikes, the Group has executed significant actions to reduce costs, including:

- Videndum has implemented restructuring projects in all divisions to promote a lean organisation ready to capitalise once trading conditions improve. For example, in Creative Solutions, up to 100 employees are working short-time hours to reflect market demand and headcount freezes are in place across the Group.
- The Group has also taken the opportunity to streamline operations with consolidation of sites and relocation of operations into other existing sites, including (i) in the UK, the Rycote windshield production is now operating out of the Ashby-de-la-Zouch factory, and (ii) in the United States, Audio R&D and microphones production has relocated to the US Audio Centre of Excellence in Portland, the manufacturing of Wooden Camera products has moved from Dallas, USA to the Cartago site in Costa Rica and Media Solutions US distribution has moved out of New Jersey to the Savage facility in Arizona.
- The Group has disposed of certain trade and assets of the Lightstream business on 2 October 2023, which was loss making, and is in the process of disposing of the Amimon business, having successfully integrated its chipset technology into the Group's Teradek products.
- Rigorous additional controls around expenditure have been implemented, such as reducing discretionary spend (e.g. travel, marketing) in the short term.
- Government support in Italy (CIGO) has been obtained and applied in the Italian facilities to mitigate lower demand whilst ensuring employees are looked after and retained by the business.
- Videndum has implemented restrictions on certain corporate actions, including acquisitions and payment of dividends.

Given the current macroeconomic climate, destocking and the uncertain pace and shape of the recovery from the US Writers' and Actors' Strikes, Videndum has also been proactively discussing with its banks and considering options available to manage these risks. Videndum has had, and continues to have, very good and constructive dialogues with its lending banks who have been supportive throughout. As a result of this relationship, Videndum has successfully managed to:

- obtain an extension of £35 million of its Revolving Credit Facility from February 2025 to February 2026, which was confirmed on 19 July 2023 and brings this commitment to be in line with the remainder of the RCF which matures at the same time in February 2026 (the total RCF facility is £200 million);
- amend the covenants in respect of its Existing Senior Financial Indebtedness in August 2023 and September 2023 for the December 2023, March 2024, June 2024, and September 2024 Test Dates;
- the financial covenants (as amended) apply in respect of the Group's EBITA to Consolidated Net Interest Charges for each 12-month period: (A) ending 31 December 2023, being 2.0:1; (B) ending 31 March 2024, being 2.0 to 1; (C) ending 30 June 2024, being 3.25:1; (D) ending 30 September 2024, being 3.25 to 1; and (E) on 31 December 2024 and at each date falling six months thereafter, being 4.0 to 1. Additionally, the Group is subject to Financial Debt Covenants in respect of its ratio of Consolidated Net Borrowings to EBITDA for the 12-month period: (A) ending 31 December 2023, being 5.75 to 1; (B) ending 31 March 2024, being 4.25:1; (C) ending 30 June 2024 and 30 September 2024, being 3.75:1; and (D) ending 31 December 2024 and at each date falling six months thereafter, being 3.25:1. However, if the proposed Capital Raising has launched on or before 30 November 2023 in respect of which proceeds (net of fees, costs and expenses) have been received by or paid to the order of the Company in an amount of not less than £90 million, then the Group shall instead from the date of the launch be subject to Financial Debt Covenants in respect of its ratio of EBITA to Consolidated Net Interest Charges for each 12-month period: (A) ending 31 December 2023, being 1.25:1; (B) ending 31 March 2024, being 1.50 to 1; (C) ending 30 June 2024, being 1.75:1; (D) ending 30 September 2024, being 3.25 to 1; and (E) on 31 December 2024 and at each date falling six months thereafter, being 4.0 to 1. Additionally, the Group shall be subject to Financial Debt Covenants in respect of its ratio of Consolidated Net Borrowings to EBITDA for the 12-month period: (A) ending 31 December 2023, being 4.25 to 1; (B) ending 31 March 2024, being 4.25:1; (C) ending 30 June 2024 and

30 September 2024, being 3.75:1; and (D) ending 31 December 2024 and at each date falling six months thereafter, being 3.25:1; and

- if the Capital Raising (or other announcement and release by the Company of a proposed issuance of share capital) were not announced and released by the Company on or before 30 November 2023, then in accordance with amendments agreed between the Company and the lenders in respect of the Group's Existing Senior Financial Indebtedness, the Company would: (A) commence consultations with the lenders as to the financial condition and prospects of the Company and the Group; (B) prepare an alternative deleveraging plan in a form and substance satisfactory to the lenders by no later than 15 January 2024; and (C) apply any proceeds arising from certain disposals firstly towards payment instalments due in respect of the Audix Term Loan and Savage Term Loan and then, secondly, towards repayment and cancellation of its Existing Senior Financial Indebtedness on a pro rata basis. The publication of this document satisfies the requirement to announce and release the Capital Raising on or before 30 November 2023, which means the Group is not required to undertake the actions referred to above.

3. DEVELOPMENT OF THE GROUP

3.1 Key events

The following table sets out the key events in the development of the Group since its founding:

Year	Event
1909	William Vinten, a mechanical engineer from London, begins manufacturing Kinemacolor projectors for Charles Urban.
1910	The William Vinten company is officially founded. The company is based at 89-91 Wardour Street, London.
1915	William Vinten is invited by the Royal Air Force to design and build a special cine-camera for use in aircraft. Vinten develops the Model B.
1917	Gitzo is founded in France by Arsène Gitzhoven, who produce cameras, shutters, cable releases and film pack frames for the photographic industry.
1928	William Vinten becomes incorporated as a company in England.
1936	Vinten supplies a variety of equipment for the world's first "high definition" public television tests, transmitted from Alexandra Palace in North London.
1940	Vinten's military contracts secure a world market presence for reconnaissance work, particularly with the production of the F24 camera which is fitted into planes that fly over enemy territory.
1949	OConnor is founded by Chadwell O'Connor, a designer and builder of steam power plants with a passion for locomotives.
1958	Wendelin Sachtler, a cinematographer, actor and inventor designs the first tripod head in a small workshop in Munich-Schwabing, Germany, which leads to the foundation of the new company, Sachtler.
1964	Vinten relocated from London to Bury St Edmunds, Suffolk.
1967	Vinten is awarded the Queen's Award for Technological Innovation for the Peregrine Crane.
1970	Anton/Bauer is established in Shelton, Connecticut, United States, combining creative and technical flare to produce innovative battery products for the broadcast market.
1972	W Vinten Ltd is floated on the London Stock Exchange.
1973	W Vinten Ltd changes its name to Vinten Group.
1974	The first Manfrotto Tripod is launched. It is developed by the photojournalist, Lino Manfrotto, and technician, Gilberto Battocchio in Bassano del Grappa, Italy.
1989	Vinten acquires Manfrotto in Italy.
1990	Vinten robotic camera control systems are awarded an Emmy Award for Outstanding Achievement in Technical/Engineering Development.
1995	The Group rebrands as The Vitec Group plc.
2010	Vinten celebrates 100 years from its original foundation.
2012	A new production facility opens in Cartago, Costa Rica.
2013	The Group acquires Teradek in the United States.
2014	The Group acquires SmallHD in the United States.
2018	The Group moves to a new, 66,000 square foot purpose-built production facility for its Production Solutions Division in Bury St Edmunds, England.
2022	The Group rebrands as Videndum plc.

Please refer to section 5.2 of this Part VIII (*Business And Market Overview*) for a timeline of recent M&A transactions.

4. BUSINESS AND PRODUCT MARKET OVERVIEW

4.1 Industry Overview

Overview

Videndum is positioned at the heart of the global content creation industry, with market-leading, premium brands in defensible niches. A product-driven business, the Group's purpose is to "enable the capture and sharing of exceptional content". The Directors believe that approximately 90% of the Group's revenue comes from content creators who use its products to earn their living and that about 80% of its products are often considered to be mission critical to its customers.

The Group designs and manufactures a portfolio of brands—from traditional mechanically engineered products through to electronics and software—to enable its customers in a full range of creative industries to capture and share content through a wide variety of media. Videndum's customers include broadcasters, film studios, production and rental companies, photographers, ICCs, vloggers/influencers, professional musicians, governments and enterprises.

This dynamic market has been transformed over the past decade and will continue to change. Driven by social media, streaming services, live sports and events broadcasting, and technology innovation, image capture and content creation has grown exponentially, with millions of videos and still images taken and shared globally every day.

Current industry trends

The content creation market has attractive structural growth drivers with strong medium-term prospects. Although the consumer and ICC segments of the market are being impacted by the challenging macroeconomic environment, and US and some European cine/scripted TV productions have been paused due to the US Writers' and Actors' Strikes, Videndum expects that the demand for, and investment in, original content (e.g. for live news, live sports and events broadcasting, reality and scripted TV shows, films, digital visual content for e-commerce and vlogging, etc.) will continue to grow in the medium term.

Videndum estimates that c.75% of the Group's business is exposed to the four main structural market growth drivers below which, although significantly impacted in the short term, remain valid in the medium-to-long term. Organic growth is driven by these four drivers coupled with technology advancement, and the Group continues to develop innovative new technology to improve customers' productivity by developing products which reduce set up time and lower operating costs. This is becoming increasingly important to customers and drives demand for new and replacement products. Sustained R&D investment is key to enabling Videndum's premium brands to maintain their already strong market positions and, in places, gain share.

(A) The internet

Retail e-commerce drives demand for digital visual content as new products need to be photographed and filmed frequently to be published online, for example across the fashion, food, real estate and hospitality industries.

The Group estimates that c.30% of its revenue is exposed to retail e-commerce which the Group serves with intuitive products used in studios and a growing number of enterprise facilities. This drives demand for the Group's professional photography and videography equipment, including supports, backgrounds, lighting and carrying solutions, mainly benefiting the Media Solutions Division.

(B) Subscription TV

Spending on original content creation for subscription TV channels like Netflix, Amazon Prime Video and Disney+ drives demand for Videndum's equipment.

The Group estimates that c.30% of its revenue is exposed to subscription TV, including: video transmission and monitoring systems, and camera accessories in Creative Solutions; lighting equipment, mobile power and supports in Production Solutions; and supports and audio capture in Media Solutions.

(C) TikTok and YouTube

There has been significant growth in vloggers and influencers creating and sharing video and audio content on social media platforms like TikTok and YouTube, and other online video sharing platforms. The Group estimates that there are more than 40 million vloggers (with a following of over 1,000 people) who share and monetise their videos or podcasts. Improving the quality of their content is enormously important to their success—and that is what Videndum products help them do.

The Group estimates that c.10% of its revenue is exposed to vloggers and influencers who use its JOBY supports, lights and microphones, and backgrounds to create high-quality content. The JOBY customers of today will potentially transition to Videndum's other premium brands, as they become the film-makers, broadcasters and professional photographers of the future.

(D) Live streaming

Live streaming of video has grown strongly across multiple verticals to maintain communications and facilitate remote collaboration. For example, governments, schools, houses of worship and businesses rely on high-quality, secure, zero or low delay video transmission to communicate with their communities, customers and employees. This market growth driver accounts for c.5% of the Group's revenue.

Artificial intelligence ("AI"), like any transformational technology development, brings the opportunity to accelerate product development cycles through innovation. In cine/scripted TV and broadcast TV, AI is seen as a key enabler to greater production efficiency, particularly through increased automation in studio equipment (cameras, prompting, cranes) and automated talent tracking. In professional photography and live streaming, AI is already empowering faster post-production. These applications provide opportunities for growth that Videndum, and its Production Solutions Division in particular, is already addressing. There is a risk that over time, some professional photography may be replaced by artificially generated content. Internal studies have identified a potential risk on stock image libraries for commercial application; these are estimated to account for less than 10% of total professional photography being shot. However, AI development is evolving rapidly, and given how new this technology is, these estimates are prone to change significantly both in terms of the size and timing of impact.

4.2 Business Overview

Overview

Videndum is a leading global provider of premium branded hardware products and software solutions to the content creation accessory industry. The Group believes that it has one of the widest ranges of product offerings in the camera accessory market, and that its brands are leaders in the niche markets which it serves, in terms of premium products, technology innovation and/or market share.

Videndum's product portfolio includes camera supports (tripods and heads), video transmission systems and monitors, live streaming solutions, smartphone accessories, robotic camera systems, prompters, LED lighting, mobile power, carrying solutions, backgrounds, motion control, audio capture, and noise reduction equipment.

Product portfolio



Audio capture

Audix
JOBY
Rycote

Backgrounds

Colorama
Savage
Superior

Camera accessories

Teradek
Wooden Camera

Carrying solutions

Lowepro
Manfrotto
National Geographic*
Sachtler

Distribution, rental & services

Camera Corps
The Camera Store

IP Video

Teradek

Lens control systems

Teradek

Lighting & lighting controls

JOBY
Manfrotto
Litepanels
Quasar Science

Live streaming

Teradek

Mobile power

Anton/Bauer

Monitors

SmallHD

Prompters

Autocue
Autoscript

Robotic camera systems

Camera Corps
Vinten

Smartphonography

JOBY

Supports & Stabilisers

Avenger
Gitzo
JOBY
Manfrotto
National Geographic*
OConnor
Sachtler
Vinten

Video transmission systems

Teradek

Operational Structure and Products

The Group has a decentralised structure organised into three Divisions: Videndum Media Solutions, Videndum Production Solutions and Videndum Creative Solutions. The Group has millions of end users and the end-market focus of the Divisions is as follows:

1. *Media Solutions* mainly serves: professional and amateur photography/videography; influencer/vlogger, including professional musicians.
2. *Production Solutions* mainly serves: broadcast TV, live news and live sports broadcasting; cine/scripted TV via film/streaming studios, production and rental companies, including independent filmmakers.
3. *Creative Solutions* mainly serves: cine/scripted TV via film/streaming studios, production and rental companies, including independent filmmakers; live streaming, including enterprise, government and houses of worship.

(A) Media Solutions

The Media Solutions Division represented approximately 50% of Group revenue in 2022. For the year ended 31 December 2022, Media Solutions had revenue of £217.8 million, with an Adjusted Operating Profit of £33.1 million. Media Solutions has c.800 employees across eight countries, with its head office and main manufacturing facility in Northern Italy.

Media Solutions designs, manufactures and distributes premium branded equipment for photographic and video cameras and smartphones, and provides dedicated solutions to professional and amateur photographers and videographers, ICCs, vloggers/influencers, enterprises, governments and professional musicians. c.55% of the Division's 2022 revenue came from the ICC segment, c.20% from the consumer segment and c.25% from the high-end professional segment.

Videndum is a market leader in most of its Media Solutions' product categories. Products are sold globally via multiple distribution channels and increasingly online via Videndum's own direct e-commerce capability and third-party platforms. Key competitive strengths include:

- among the best known brands in the industry;
- superior quality performance;
- robust innovation pipeline and R&D capabilities;
- one of the largest social communities in the content creation accessory industry;

- leading Ambassador and corporate social responsibility programmes in the niche markets it serves;
- leading digital commerce capabilities in the niche markets it serves;
- operational excellence; and
- integrated global supply chain.



Media Solutions' strategy is focused on developing innovative new products to improve customers' productivity in order to grow the core professional business, as well as a focus on high-end audio capture and return to growth in vlogging accessories when the macroenvironment improves.

Audio capture is an essential part of video creation as it enhances the quality of the content. The acquisition of Audix in 2022 enabled Videndum to accelerate the pace of deployment of its audio capture strategy. Audix was attractive to Videndum because of Videndum's existing understanding of the market and channel, and because it complemented Videndum's existing offering of microphones for smartphones or cameras sold under the JOBY brand. Videndum lacked a more specialist audio R&D capability to design and manufacture the microphones in-house, which Audix now provides. Videndum's intention is to leverage the Audix team's expertise to enhance the speed of new product development and expand its range of on-camera microphones further.

In addition, Audix expanded the Group's TAM, bringing Videndum a premium microphone brand which is focused on the music, professional vocal and enterprise markets, which is complementary to the JOBY and Rycote brands. Videndum estimated that, at the time of the acquisition, 75% of Audix's revenue was in the US, but at the time they had no direct e-commerce capabilities. Videndum is working to significantly grow the Audix brand by selling their products through its global distribution network and using its digital expertise to market and sell Audix products online. Videndum has also found opportunities to sell other Videndum brands to the Audix customer base and is planning the release of new professional microphone supports.

The acquisition also gave the Group advanced, vertically integrated, audio manufacturing facilities in the US, which provided the opportunity for a number of synergies: Videndum Audio R&D and microphones production recently moved to Audix's US audio centre of excellence in Portland. This includes Rycote's microphone manufacturing and engineering development and the development of JOBY microphones. This will accelerate new product innovation processes and enable the Group to extend its microphone range, as well as further strengthening its competitive advantage in the largest content creator market.

Videndum further restructured its Media Solutions' operations to take advantage of location synergies following recent acquisitions. In the UK, Rycote windshield production is now operating out of the Ashby-de-la-Zouch factory. This has expanded manufacturing capacity by c.50% and enables the Group to upgrade its operations. Media Solutions' US distribution moved out of New Jersey to the Savage facilities in Arizona, now Videndum Media Solutions USA.

Today, Videndum Media Solutions operates four manufacturing plants: Feltre (Italy), Ashby-de-la-Zouch (UK), Portland (Oregon, US), and Phoenix (Arizona, US).

Videndum also continues to undertake strategic restructuring programmes in other parts of the Media Solutions Division as part of its efforts to ensure a lean organisation ready to capitalise once trading conditions improve. For example, Videndum recently announced the planned closure of Syrp, its small New Zealand-based slider and motion control device R&D facility, as it plans to exit minor unprofitable markets and realise cost savings. The site is expected to close permanently in Q4 2023.

Media Solutions' market drivers include mid-term increase in professional content creation, audio capture, retail commerce and vlogging, however, they are being impacted in the short-term by the challenging macroeconomic environment affecting business confidence.

The key product areas captured by the Division are:

(i) Photo & video supports (tripods and heads)—2022 revenue c. £85.0 million

Brands: Manfrotto, Gitzo, JOBY and National Geographic (manufactured under licence)

Videndum is a market leader in photo and video supports:

- Gitzo is the reference brand for fashion and nature photography: the brand provides one of the most premium tripods in the market.
- Manfrotto provides supports for professional studios, ICCs and amateurs.
- JOBY supports are designed for vlogging cameras, smartphones and action cameras.
- National Geographic is the entry price point for less experienced photographers who shop online.

(ii) Lighting stands, controls and backgrounds—2022 revenue c.£74.0 million

Brands: Avenger, Manfrotto, JOBY, Savage, Colorama, Superior

Lighting stands allow teams to mount heavy duty lighting fixtures safely and securely. There is a growing demand for more compact lighting stands to maximise space on set and in transit due to the growing number of smaller, more mobile production crews driven by the demand for original content for streaming and video-on-demand platforms. Videndum is a market leader with its Avenger and Manfrotto branded lighting stands. In particular, Avenger Buccaneer, launched in September 2022, is a unique lighting stand and is the most compact on the market and has been well received.

Backgrounds and green screens are important features of photography and video scenes as they are placed behind the main subject. Proper design and use of backgrounds is key to photographic success. Savage manufactures an extensive range of high quality, specialist, seamless paper backgrounds, or paper/fabric backdrops which are brought to market under either the Savage, Colorama or Superior brands depending on channel/geography served.

(iii) Carrying solutions—2022 revenue c.£26.0 million

Brands: Gitzo, Lowepro, Manfrotto, National Geographic (manufactured under licence)

Media Solutions sells protective carrying solutions for photographic and video equipment under a number of brands, including Lowepro, Manfrotto and National Geographic. Lowepro specialises in bags for outdoor/adventure photography (primarily backpacks) and is in the process of converting the entire product portfolio to recycled fabric (80% of total material), fully eliminating PFC coatings. Manfrotto is focused on studio carrying equipment including hard cases, and National Geographic targets enthusiast travellers.

(iv) Smartphonography and Vlogging—2022 revenue c.£9.0 million

Brands: JOBY

Media Solutions is a market leader in smartphonography (the use of smartphone cameras for photography, video capture and media editing) and sells through JOBY, the premium brand of reference in this segment. The JOBY One App is a digital hub which enables creators on TikTok and YouTube to control JOBY products from their smartphone, including lights, on-camera microphones and motion control. It allows creators access to a complete range of accessories at one touch, connect with the JOBY community and purchase online.

JOBY accessories are the ideal complement to smartphones, action and vlogging cameras.

(v) Audio capture—2022 revenue c.£20.0 million

Brands: Audix, JOBY and Rycote

Audio capture is a key part of video creation and enhances the quality of content. As part of its audio strategy expansion, Videndum acquired Audix in January 2022 which brought specialist audio R&D and manufacturing capabilities to Videndum. This acquisition enabled the Group to effectively distribute audio capture products through its three core audio brands: Audix, JOBY and Rycote.

Audix designs, engineers and manufactures high performing, innovative microphones for the professional audio industry from its advanced manufacturing facility in Portland, Oregon, US.

JOBY offers a comprehensive range of on-camera/on-mobile wired and wireless microphones specifically designed for vlogging. They are distinctive in the segment both in terms of audio quality, ease of use and set up.

Rycote is a highly respected, market-leading brand, trusted by creative professionals, and a manufacturer of advanced noise reduction accessories for professional microphones. Since Q1 2023 the brand also offers a range of professional microphones designed for on location and ENG sound capture (electronic news gathering).

Each year Videndum Media Solutions is recognised with a number of prestigious industry (Technical Image Press Association) and Innovation (iF Design) awards, testimony of the strong user-centric innovation capabilities deployed across multiple product categories and brands.

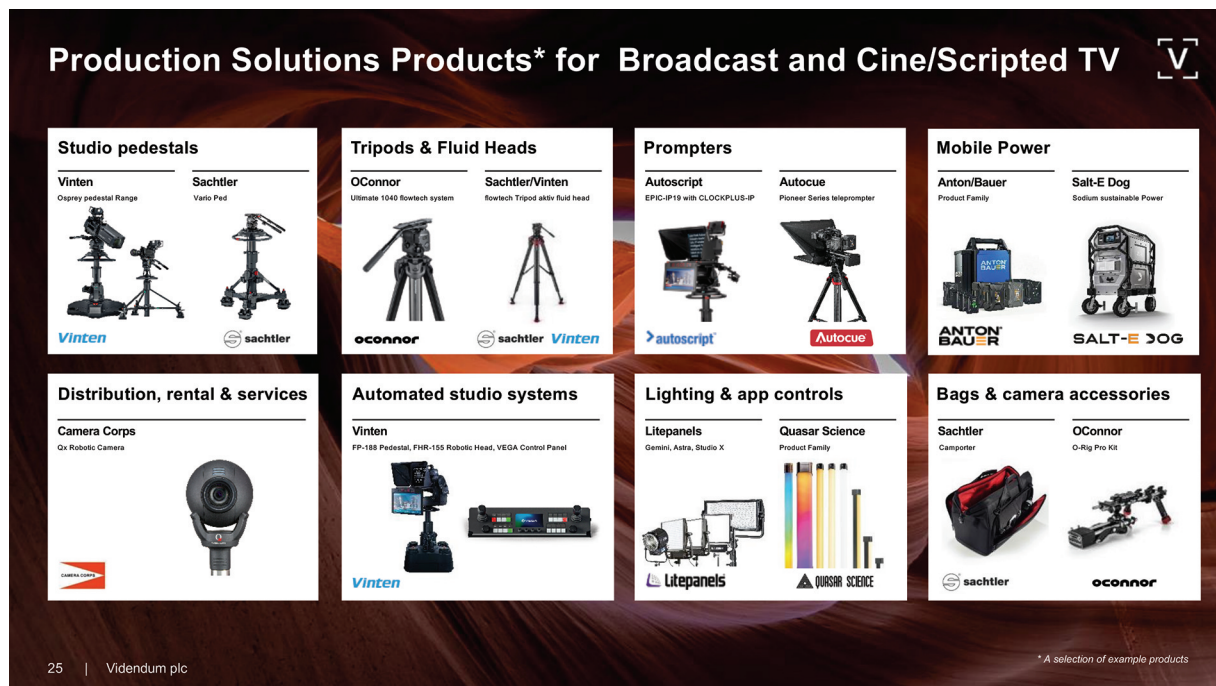
(B) Production Solutions

The Production Solutions Division represented approximately 30% of Group revenue in 2022. For the year ended 31 December 2022, Production Solutions had revenue of £137.8 million, with an Adjusted Operating Profit of £31.4 million. Production Solutions has c.500 employees across six countries, with its head office in Bury St Edmunds, UK and its primary manufacturing facilities in Bury St Edmunds and Cartago, Costa Rica.

Production Solutions designs, manufactures and distributes premium branded and technically advanced products and solutions for broadcasters, film and video production companies, ICCs and enterprises. c.50% of the Division's 2022 revenue came from professional and corporate broadcasting with the remaining c.50% coming from cine production/rental companies and high-end professional ICCs.

Videndum is a market leader in most of its Production Solutions product categories and is well positioned due to its broad geographical reach and premium products. Products and services are sold globally either directly via Videndum's own sales teams and in part via distributors, both online and in stores. Production Solutions has nine best-in-class, premium, market-leading brands, which are well known and respected by customers for their innovation, quality, speed and/or reliability.

Production Solutions Products* for Broadcast and Cine/Scripted TV



Production Solutions' market drivers include growth in demand for automated production, on-location news and original content, however, they have been impacted in the short-term by the US Writers' and Actors' Strikes.

Production Solutions strategy is focused on growth in professional equipment for on-location news and sporting events, innovative new technology like robotic camera systems and voice prompting to enable automation and cost efficiencies in TV studios, and high-end products for original content creation in cine/scripted TV, including a new range of sustainable power solutions based on sodium technology.

The key product areas captured by the Division are:

(i) *Supports and fluid heads—2022 revenue c.£73.0 million*

Brands: Sachtler, Vinten, OConnor

OConnor is the choice of professional cinematographers worldwide. Considered the industry-standard cinematographic head, OConnor is renowned for its smooth feel, fluid movement and intuitive control.

All OConnor heads and tripods are respected and trusted worldwide by individual users and rental houses for their reliability, longevity, quality and robustness. All the nominees in the 2021, 2022 and 2023 Oscar for Best Picture and Best Cinematography were filmed with OConnor products. OConnor has been awarded two Scientific & Technical Oscars for its own technology innovations.

Sachtler is the global market leader in professional video camera support systems for pro video and television production.

The Sachtler name has been a symbol of quality and reliability for decades and the company's extensive range of camera support systems make Sachtler a highly qualified partner for broadcast and film applications. The ground-breaking flowtech tripod and aktiv head system is universally recognised as the best Professional Support System for video camera use. Due to high demand, the system has been in constant manufacturing backlog since its launch and the production capacity of the Group's unique and proprietary carbon fibre process was increased in 2023 to align capacity to demand. Sachtler was awarded a Scientific & Technical Oscar in 1991.

Vinten is the premium solution for studio and outside broadcast TV, offering a wide range of products which includes manual supports, robotic heads, pedestals, controllers and AI-powered software.

Customers rely on Vinten's engineering excellence and globally supported solutions for a wide range of technologies and markets. Products offered range from manual pedestals used in TV studios to the pantographic heads for outdoor broadcasting use, to the Emmy award winning robotic pedestals and

heads. These are in high demand due to the recent technology innovations in response to the demand for automation in broadcasting studios to reduce their cost base.

At the National Association of Broadcasters convention in Las Vegas in 2023, Vinten launched its new Robotics Control Platform, Vinten VEGA, a highly innovative, flexible and versatile software platform, which allows control of numerous camera units and various customisation options. This was coupled with a revolutionary autonomous and dynamic talent tracking system driven by artificial intelligence.

(ii) Mobile power—2022 revenue c.£15.0 million

Brand: Anton/Bauer

Anton/Bauer is the leader in the design, manufacturing and testing of premium mobile power systems for use in broadcast and film/video, developing a series of industry firsts including the revolutionary Gold Mount, the first flexible battery mounting system. Its rugged systems for on-location use can be adapted to just about any situation where reliable, mobile power is required. The Dionic XT and Titon products are the reference on-camera batteries for high-end cinematographic, videographic and outside broadcast production, and the award-winning VCLX is the market leading block battery to power cinematographic tools which have high energy requirements. Anton/Bauer has won both an Emmy and an Oscar in recent years.

At the Cine Gear exhibition in the Los Angeles in 2023, Anton/Bauer launched the first sustainable portable power solution made with sodium technology for the film/scripted TV industry. Known as “Salt-E Dog”, the product launch was exceptionally well received with significant market interest, though sales are yet to materialise as a result of the delays caused by the US Writers’ and Actors’ Strikes. Salt-E Dog ensures noise and pollution-reduced productions, aiding net-zero sustainability efforts without compromising quality.

(iii) Prompters—2022 revenue c.£12.0 million

Brands: Autoscript and Autocue

Autoscript and Autocue are the leading global providers of professional teleprompting equipment to tier one broadcasters. Autoscript manufactures reliable, premium-quality hardware and software solutions for both global networks and stand-alone operations. Its revolutionary AI-driven Voice and Speech recognition software, which was developed with a leading US news broadcaster, allows for highly responsive scroll control and script navigation, in numerous different languages, for presenters and production staff. This, combined with its prompting monitors, which are evolving in response to customer needs, provides an unrivalled solution which allows for fast and efficient prompting in any TV Station.

Autocue provides complete prompting solutions to speed up production in smaller broadcasters, TV Stations and Corporate Studios. Everything is based on the Autocue “3S” principles: Speed, Simplicity, and Sustainability, designed to give a modern prompter that is easy to use. In April 2023, Autocue launched a new product range with customisable prompting solutions for broadcasters through to executive/conference and iPad teleprompter solutions for large and small venues.

(iv) LED Lighting—2022 revenue c.£16.0 million

Brands: Litepanels and Quasar Science

Litepanels has three-times Emmy award-winning technology. Used on thousands of productions worldwide, it is trusted by the world’s leading broadcasters and cinematographers.

Litepanels has pioneered development of award-winning professional LED lighting fixtures, including high-powered LED fresnels, hard and soft panels and versatile on-camera fixtures. Its recently launched 2x1 Hard panel light is the brightest and lightest 2x1 light in the market, able to deliver hard or soft, full spectrum, daylight and tungsten light, and therefore a very flexible fixture for gaffers.

Quasar Science has created a set of highly colour-precise realistic lighting with endless communication capabilities, which allow for complex uses with easy control.

Quasar Science Rainbow 2 and Double Rainbow provide high fidelity “RGBX” pixels, create realistic lighting with vibrant saturated colours and intense white light. A sleek shape provides a powerful light source using little space.

The combined knowledge and expertise of Litepanels and Quasar Science enabled Videndum to create image-based lighting, which allows productions to illuminate talent in virtual production sets, replicating the colours used in the LED video wall background and therefore realistically adding the talent into the digital background.

(v) Robotic camera systems—2022 revenue c.£18.0 million

Brands: Vinten and Camera Corps

Production Solutions sells robotic camera systems through its Camera Corps and Vinten brands (see above for Vinten).

Camera Corps operates at the cutting edge of broadcast technology across the most prestigious and high-profile world events and productions, including the Olympic Games. From reality series to entertainment shows and international sporting events, the Camera Corps team capture the coverage of the events, providing the “wow” factor shots that global audiences love and admire.

The team designs and creates custom camera solutions to give customers the ability to offer unique, never previously possible shots. Whether it be cricket stump cameras, football net cameras, baseball base cameras in the field of play for sports, or hidden or covert cameras for documentaries and wildlife programmes, its engineering team work to find a solution.

Camera Corps has won two awards at the Royal Television Society: one for an outstanding year in events coverage; and followed up a few years later by the sports innovation award for its development on the plungecam (which is used for diving coverage). It has also been honoured by Sports Video Guide for “Technical Excellence” for its work on the Isle of Man tourist trophy race.

(vi) Distribution, rental and services (revenue included in Camera Corps above)

Brands: Camera Corps and The Camera Store

Production Solutions sells distribution, rental and services through brands such as Camera Corps and The Camera Store. Camera Corps designs and supplies speciality remote cameras, camera support systems and full-service facilities to broadcasters of international and regional productions. The Camera Store provides equipment rental services, dealing specifically in camera support such as studio and outside broadcast pedestals, pan and tilt heads, tripods, LED lighting, fibre optic cable and associated accessories.

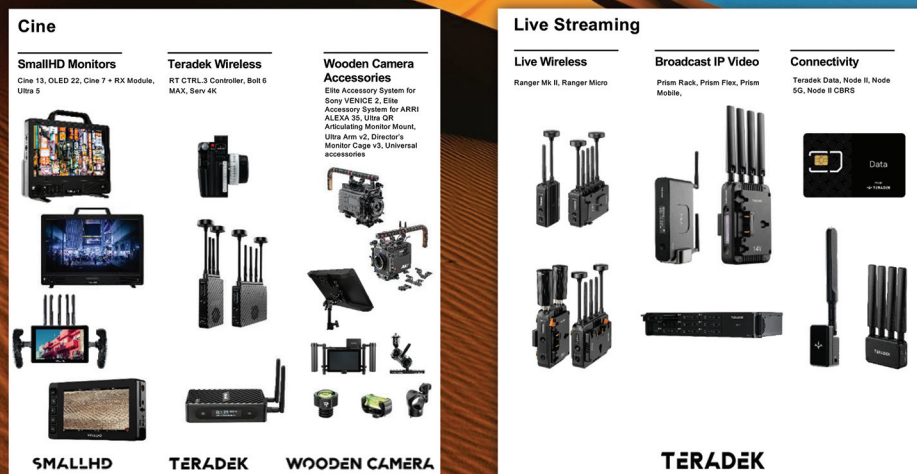
(C) Creative Solutions

The Creative Solutions Division represented 20% of Group revenue in 2022. For the year ended 31 December 2022, Creative Solutions had revenue of £95.6 million, with an Adjusted Operating Profit of £12.5 million. Creative Solutions is headquartered in Irvine (California) with manufacturing facilities in Irvine (California), Cary (North Carolina) and Cartago (Costa Rica).

Creative Solutions develops, manufactures and distributes premium branded products and solutions for film and video production companies, ICCs, enterprises and broadcasters. c.36% of the Division's 2022 revenue came from zero delay products, c.38% from on-camera or production monitors and the rest from accessories and live production products both hardware and software.

Creative Solutions is the market leader in most of its product categories due to its premium brands, market-leading technology and/or dedicated team of innovative product specialists with extensive experience in shooting both professional and amateur video content. Products are sold globally via multiple distribution channels and increasingly online via its own direct e-commerce capability and third-party platforms. The majority of its revenue is generated by unique or exclusive proprietary technologies that often make Creative Solutions a better choice. A good example is the zero-delay wireless video transmission capabilities which represents nearly 40% of the Division's total revenue.

Creative Solutions Products* for Cine/Scripted TV and Live Streaming Enterprises



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* A selection of example products

Creative Solutions' market drivers include growth in streaming and demand for original content, however, they have been impacted in the short-term by the US Writers' and Actors' Strikes.

Creative Solutions' strategy is focused on continuing to deliver the 4K/HDR replacement cycle as well as developing innovative new technology to improve customers' productivity in the growing areas of remote monitoring, collaboration and streaming in the cine/scripted TV, high-end live production and broadcast markets.

The key product areas captured by the Division are:

(i) Video transmission systems—2022 revenue c.£33.0 million

Creative Solutions sells award-winning video transmission systems through its Teradek brand. Teradek is a market-leading provider of wireless video devices and platforms that are used by cinematographers, broadcasters, enterprises and web channels to transmit images wirelessly. Teradek Bolt, its zero-delay video transmitting device is considered industry-standard in the vast majority of Hollywood productions. Its live production streaming and bonding products like Teradek Prism are regularly used in mission critical applications, for example space launches, military (NATO) or TV broadcasting.

(ii) Monitors—2022 revenue c.£33.0 million

Creative Solutions solidified its position in the market of production monitors with their line of 4K monitors which were released in 2022. Videndum now ships seven different models of 4K large-format platform monitors. Videndum sells monitors through its SmallHD brand, which is an award-winning brand in designing and manufacturing on-camera field monitors for creative video professionals. SmallHD monitors combine premium organic light-emitting diode and liquid-crystal display technology with intuitive user interfaces that create real-time confidence to a wide range of filmmakers. The two most appreciated features that make SmallHD unique are the full array local dimming and its operating system user interface, both developed specifically for cinema applications.

(iii) Camera accessories—2022 revenue c.£10.0 million

Creative Solutions sells camera accessories through brands such as Wooden Camera and Teradek. Wooden Camera is a high-quality camera accessories company, whose products are used mainly by film-makers and ICCs. Wooden Camera's high performing products supplement basic camera equipment by linking camera peripherals and are used on many leading cameras, often with specific accessories made for leading camera manufacturers.

(iv) Internet Protocol (IP) video—2022 revenue c.£9.0 million

Creative Solutions sells IP video devices and software through its Teradek brand. Teradek designs and manufactures high performance video solutions for broadcast, cinema, and general imaging applications, including IP video distribution. Teradek technology is used around the world by professionals and amateurs alike to capture and share content.

Following an extensive review of the options for Creative Solutions Division, the Board concluded that the Group will deliver the most long-term shareholder value by retaining the Division but focusing on the high-end professional content creation market, where it has high market share, sales channel expertise and compelling growth opportunities. Consequently, the Board has already decided to exit the non-core medical market, and has exited the non-core gaming market, to concentrate R&D investment on the content creation market. As a result, Amimon was held for sale at 30 June 2023 and reported as a discontinued operation. On 2 October 2023, certain trade and assets of Lightstream were sold to Xsolla (USA), Inc., a leading player in the gaming industry.

5. STRENGTHS AND STRATEGY

5.1 Strengths

The Directors believe that the Group's key competitive strengths include the following:

(i) Market-leading premium brands in end-markets with attractive growth prospects

Videndum is a global provider of specialist products and services to the content creation industry incorporating one of the widest ranges of product offerings in the camera accessories market. The Group's brands are recognised leaders within the industry, in terms of premium products, market share and/or technology innovation.

The content creation market has attractive structural growth drivers with strong medium-term prospects and Videndum is well positioned to benefit. The Group estimates its TAM to be c.£3 billion and it is expected to grow at a compound annual rate of mid-to-high single digits in the medium-to-long term, although with a slower growth rate in 2022-24 due to the Group's markets having been significantly impacted by macroeconomic headwinds and the US Writers' and Actors' Strikes.

(ii) Technology leadership—impressive track record of innovative new product development through customer-led R&D (examples in table of Emmy and Oscar awards below)

Intelligent and sustained investment in new products, technologies, markets and people enable the Group to ensure that its brands remain at the forefront of the industry, recognised for their premium offerings and innovative technology.

The Group continually obtains feedback on market trends, competitors and their products, from customers, as well as from research. Its experienced, specialist engineers apply new technologies and materials to develop high-quality, high-performance solutions to improve customers' productivity by developing products which reduce set up time and lower operating costs.

Videndum's innovative products are protected by patents and trademarks and are marketed under well-known brands. Videndum takes product quality and customer safety very seriously and its products are manufactured to the highest standards and rigorously tested.

The Group is progressively integrating sustainable product development into its brand strategies using a "cradle-to-grave" product life cycle assessment. This includes evaluating raw materials, manufacturing processes, waste, packaging, distribution and end-of-life.

The Group manufactures the majority of its products in-house (principally in Bury St Edmunds (UK), Feltre (Italy) and Cartago (Costa Rica) and works with selected, market-leading partners for specialist solutions. In-house new product development has been supplemented with carefully selected acquisitions or partnerships in new markets and technologies.

Videndum's brands are well-known for their technical innovation for decades, as evidenced by the Oscar and Emmy awards below. These awards are presented to an individual, company, or organisation for developments in engineering, science and technology that are either so extensive an improvement on existing methods or so innovative in nature that they materially affect the production,

recording, transmission or reception of television or motion picture production, and thereby have elevated the storytelling process.

Year	Emmy/ Oscar	Brand	What for
1975	Oscar	OConnor	Scientific & Technical award for the O'Connor Engineering Laboratories for the concept and engineering of a fluid-damped camera-head for motion picture photography.
1990	Emmy	Vinten	Vinten robotic camera control systems for Outstanding Achievement in Technical/Engineering Development in 1990.
1991	Oscar	Sachtler	Scientific & Technical award for the design and development of a range of Sachtler fluid tripod heads.
1992	Oscar	Oconnor	Scientific & Technical award for the concept and engineering of the Oconnor fluid-damped camera head for motion picture photography.
2005	Emmy	Litepanels	Primetime Engineering award
2009	Emmy	Litepanels	Technology & Engineering award
2012	Oscar	Anton/Bauer	Scientific & Engineering Award for Anton/Bauer for the design and creation of the CINE VCLX Portable Power System.
2016	Emmy	Autoscript	Technology & Engineering award awarded to Media Object Server Group for the development and standardisation of Media Object Server Protocol.
2020	Emmy	Litepanels	Technology & Engineering award for Litepanels for the pioneering development of LED lighting for television production
2020	Emmy	Anton/Bauer	Technology & Engineering award for Anton/Bauer Development of Advanced Battery Technology for ENP/EFP
2021	Emmy	Teradek & Amimon	Engineering award for Teradek Bolt 4K Bolt 4K wireless video transmission system for on-set monitoring
2021	Oscar	Teradek & Amimon	2 x Scientific & Engineering Awards for Teradek Bolt 4K wireless video transmission system and the wireless chipset underlying technology
2023	Emmy	SmallHD	Engineering, Science & Technology award for SmallHD Monitor Platform

(iii) Sourcing and manufacturing excellence—world-class, environmentally-friendly facilities, well-invested, highly automated and lean factories, with a continuous improvement culture

Sourcing and manufacturing excellence is one of Videndum's core competitive strengths. Videndum makes the majority (c.75%) of the products it sells in house which gives it greater control of the technology, stronger profit margins and a stronger competitive position.

The Group's three major manufacturing sites in the UK, Italy and Costa Rica are certified ISO 9001 quality management, ISO 14001 environmental management and ISO 45001 health and safety.

The Group's supply chain is efficient, and its people are highly trained and multi-skilled. Videndum procures materials from reputable suppliers and makes its products in efficient and environmentally friendly operations and, where appropriate, manufactures or sources from lower-cost countries such as Costa Rica. Where economically and technically feasible, the Group insources production, especially when Videndum's sites have stronger environmental credentials than those of external finished goods suppliers. This helps to improve the Group's overall carbon footprint.

The majority of the Group's operations are relatively low-volume, small-batch processes and Videndum's continuous improvement culture enables it to optimise global operations. The Group manufactures c. 10x more tripods than its closest competitor and has implemented lean manufacturing and automation to maximise quality, service and efficiency, while reducing costs. Most of the Group's factories are vertically integrated which means the Group produces many of its components in-house. The 2022 acquisition of Audix expanded Videndum's manufacturing footprint in the USA which is a key enabler of Videndum's audio strategy. The Group operates a Group global sourcing office in Shenzhen, China where the team supports vendor management, quality control and product development with strategic vendors across APAC. This further enhances productivity and time to market.

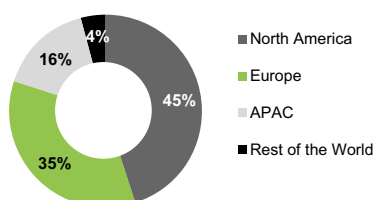
Where we operate



- Sites in 10 countries; sell into 100+ countries
- Well-invested manufacturing facilities in Italy, Costa Rica, UK, US
- R&D centres in UK, Italy, US, Israel
- Far East Procurement Centre in Shenzhen, China
- Distribution centres in UK, Germany, China, Australia, Singapore, Japan



2022 revenue analysis by location of customer



(iv) *Global distribution capabilities—a global leader in specialist niche markets, reflected by the scale and depth of Videndum’s network of channel partners*

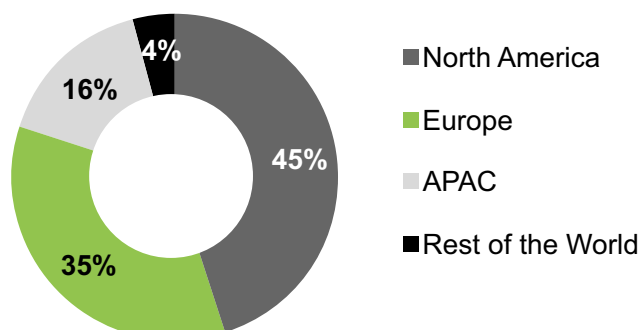
Videndum markets and sells its products globally via multiple distribution channels, its own sales teams, and through e-commerce via its own and third-party websites.

The majority of sales are conducted via a global network of distributors, rental houses, systems integrators, resellers, retailers and e-tailers who sell on to customers. The breadth of the Group’s product portfolio and strong brand heritage are reflected by its global network of channel partners.

The Group continues to expand its digital and e-commerce capabilities, working closely with customers and suppliers to further develop an online presence. The Media Solutions Division is considered to have the best digital capabilities in its niche markets which provide a long-term, scalable competitive advantage, including in terms of customer ownership (via a customer relationship management system across multiple brands).

The Group engages with a number of leading logistics partners to ensure responsive and timely delivery of its products to the relevant geography and remains conscious of the impact of its distribution channels on the environment.

2022 revenue analysis by location of customer



(v) *An experienced senior management team*

Videndum has a decentralised structure with three divisions. This allows the Group to react quickly to customer, market and technological changes and enables focused decision-making. Combined with a strong entrepreneurial culture, this means that the Group is able to adapt to change and innovate to

produce industry leading products. The senior management team has an average tenure of ten years, and has demonstrated its ability to adapt to difficult market conditions as well as recovering from them through the COVID-19 pandemic, where the Group's operations were severely impacted. Swift action was taken to mitigate costs whilst protecting the medium-and-long-term prospects for the business. Videndum saw a strong bounce-back in financial and operational performance following the COVID-19 pandemic and this reflects the strength and depth of the senior management team across the Group.

5.2 Strategy

The Group has been transformed over the last ten years through a combination of organic development and acquisitions and is now positioned at the heart of the growing content creation industry. Videndum's long-term strategic objectives are to deliver organic growth, improve margins and, over the longer term, to grow through M&A (once debt has been reduced and the macroeconomic environment has started to improve). It is focusing more tightly on its core markets, particularly for the high-end professional and B2B segments—where the Group sees the greatest growth potential—and exiting non-core markets.

(i) Organic growth

Despite the challenging situation caused by the US Writers' and Actors' Strikes, the Group is maintaining its investment in key strategic initiatives, focused on faster-growing, high-end professional content creation. Developing technologically advanced products which improve customers' productivity, by reducing set up time and lowering operating costs, drives demand for new and replacement products. This enables Videndum's premium brands to maintain their already strong market positions and, in places, gain share.

Key focus areas include robotics and AI-driven technology for broadcast studio automation, high-end audio capture, wireless video and transmission systems, and a new range of sustainable portable power solutions based on sodium technology.

Market growth is being driven by technology advancement driving shorter product replacement cycles and by four different structural growth drivers detailed in section 4.1 of this Part VIII (*Business And Market Overview*). The Group also continues to invest in its digital capabilities to benefit from the ongoing transition to the higher margin e-commerce channel.

(ii) Margin improvement, and short-term mitigating actions to manage costs and cash to offset prolonged US Writers' and Actors' Strikes

The Group has been actively managing the business to cut costs and to preserve cash while seeking to ensure it is well placed for recovery now that the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification) and once productions affected by those strikes restart. To offset the prolonged US Writers' and Actors' Strikes, the Group is executing significant actions to further reduce costs, whilst Government support in Italy (CIGO) will also continue to help preserve the long-term capabilities of the business.

Margin improvement is expected as volumes return, and the Group delivers operating leverage. It will continue to optimise its manufacturing and assembly portfolio, and to review opportunities to deliver cross-Divisional synergies to ensure that the business is well set up for mid and long-term growth.

The Group is focused on improving operating profit margins towards its long-term mid-to-high teen goal. Now that the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification) and once the business recovers, the Group's long-term margin improvement drivers include targeted pricing increases to reflect product quality and brand strength, growing online sales, continued operating efficiencies, and capturing synergies from recent acquisitions.

(iii) M&A activity

While the Group remains focused on debt reduction and therefore no acquisitions are expected in the short-term, in the medium to long term the Group has a disciplined approach to capital allocation, including considering potential divestments as well as targeted bolt-on M&A activity where there are opportunities which could expand addressable markets and enhance technology capabilities.

Over the past decade, Videndum has increased its addressable markets by expanding its product portfolio, customer base and technology capabilities, through carefully selected acquisitions.

The Group most recently completed the acquisition of Audix in January 2022. Based in Oregon, US, Audix designs, engineers and manufactures high performing, innovative microphones for the professional audio industry from its advanced manufacturing facility. This acquisition accelerated and further strengthened Videndum's audio capture strategy by bringing additional specialist R&D capabilities to enable the Group to design and build microphones in-house.

Videndum is focusing more tightly on the high-end professional content creation market where it has high market share, sales channel expertise and compelling growth opportunities. Consequently, the Directors have decided to exit non-core markets, specifically medical and gaming, to concentrate R&D investment on the content creation market. As a result, whilst the Creative Solutions Division as a whole remains a core focus going forward, Amimon was held for sale at 30 June 2023 and reported as a discontinued operation and certain trade and assets of Lightstream were disposed of on 2 October 2023. If a sale of Amimon were to take place, Videndum expects to retain the exclusive rights to deploy its chipset technology with zero delay wireless video transmission technology in content creation markets, including its Teradek and Small HD products.

M&A transactions carried out by the Group in the last five years are as follows:

Year	Acquisitions	Disposals
2018	Adeal —Group's Australian distributor Rycote —Microphone windshield and suspension systems manufacturer based in the UK Amimon —Developer of chipsets and modules for real-time wireless video transmission, headquartered in San Jose (California) at the time of the acquisition	
2019	Syrp —New Zealand-based slider and motion control device manufacturer	
2021	Quasar Science —California-based LED lighting technology provider Lightstream —USA-based developer of a cloud-based live video platform, broadcast software and video game creator tools Savage —Manufacturer of backgrounds for the professional studio photographic market, based in Phoenix (US)	
2022	Audix —High-quality microphone brand for studio and live performance audio, based in Portland, Oregon (US)	
2023		Lightstream —certain trade and assets of disposed of on 2 October 2023 Amimon —held for sale at 30 June 2023

(iv) Divisional strategies

- *Media Solutions*—The strategy is focused on developing innovative new products to improve customers' productivity in order to grow the core professional business, as well as a focus on high-end audio capture and return to growth in vlogging accessories when the macroenvironment improves.
- *Production Solutions*—The strategy is focused on growth in professional equipment for on-location news and sporting events, innovative new technology like robotic camera systems and voice prompting to enable automation and cost efficiencies in TV studios, and high-end products for original content creation in cine/scripted TV, including a new range of sustainable power solutions based on sodium technology.
- *Creative Solutions*—The strategy is focused on continuing to deliver the 4K/HDR replacement cycle as well as developing innovative new technology to improve customers' productivity in the growing areas of remote monitoring, collaboration and streaming in the cine/scripted TV, high-end live production and broadcast markets.

6. CUSTOMERS AND END-MARKETS

6.1 Customers

Videndum's success is dependent on its ability to understand and respond to its customers' needs. Videndum's core customers can be categorised as:

- **Professional photographer/videographer, including prosumer**
Creating and sharing digital content for social media platforms or retail e-commerce, where images and videos of new products are frequently published online.
- **Influencer/vlogger**
Creating and sharing video and audio content on social media platforms like TikTok, YouTube, Instagram and Twitch.
- **TV broadcaster, production company, ICC and professional sound crew**
Producing video and audio content for TV programmes, live news or live sports events.
- **Film or production company, including independent film-makers**
Making content for feature films and scripted TV shows to share in cinemas or on subscription channels like Netflix, Amazon Prime Video, Apple TV+ and Disney+.
- **Live streaming enterprise, including government, healthcare provider, education establishment or house of worship**
Creating video and audio content to stream live or pre-recorded to their employees, customers and communities.

<u>Videndum sales by channel</u>	<u>c.% of 2022 Group revenue</u>
Specialised dealers	c.35%
Distributors	c.25%
Digital retail, digital direct	c.15%
Systems integrators, rental houses	c.10%
B2B, original equipment manufacturer, enterprise	c.5%
Broadcast/cine direct to studios	c.5%
Consumer electronics	c.5%

6.2 Supply chain

As the Group employs highly trained and multi-skilled procurement individuals, Videndum's supply chain is efficient. Videndum has a large number of suppliers globally, as the majority of its operations are relatively low-volume, small batch processes. Videndum procures materials from reputable suppliers and makes its products in efficient and environmentally friendly operations and, where appropriate, manufactures or sources from lower-cost countries such as Costa Rica. Where economically and technically feasible, it insources production, especially when its sites have stronger environmental credentials than those of the finished goods suppliers. If not possible, Videndum seeks to source materials from suppliers close to its manufacturing facilities so far as it is able. This helps to improve the Group's overall carbon footprint.

The Group expects its business partners to have similar values to its own to ensure that slavery and human trafficking is not something they are associated with. Through screening its supply chain using third-party software and physically inspecting the supply chain, Videndum is confident that this is not an issue within its operations. The Group's internal audit function also checks the integrity of the supply chain as part of its internal audit programme. Videndum trains its employees on this issue through web-based training modules and Videndum's Code of Conduct.

Videndum has developed a Group-wide methodology for evaluating its suppliers on all dimensions of ESG. This approach is being gradually rolled out across the entire supply chain. The Group has recently formalised its responsible sourcing policy and recommunicated this to suppliers.

6.3 Manufacturing, quality control and logistics

Videndum has three major manufacturing sites: in Italy (Feltre), Costa Rica (Cartago) and the UK (Bury St. Edmunds). All three are certified ISO 9001 quality management, ISO 14001 environmental management and ISO 45001 health and safety.

The majority of Videndum's operations are relatively low-volume, small-batch processes and Videndum's improvement culture enables it to optimise its global operations and implement lean manufacturing and automation to maximise quality, service and efficiency, while reducing costs. Most of its factories are vertically integrated which means it produces many of its components in-house. The 2022 acquisition of Audix expanded the Group's manufacturing footprint in the US, which is a key enabler of its audio strategy. Videndum operates a Group global sourcing office in Shenzhen, China where the team supports vendor management, quality control and product development with strategic vendors across APAC. This further enhances productivity and time to market.

(i) Feltre, Italy

Videndum manufactures 80% of the supports for its Media Solutions Division in its Italian facility, across the Manfrotto, Gitzo, Avenger and JOBY brands. The 320,000 sq. ft. site was established in 1986 and employs around 400 people. Videndum is the largest manufacturer of branded supports in the world, with over three million units produced annually. As a result of Videndum's investment in its people, lean processes and automation, premium supports are produced more efficiently in Italy than elsewhere. "Made in Italy" is a distinct competitive advantage in this market and in 2017 Videndum moved the manufacturing of the Manfrotto Befree Advanced tripod from China to Italy. A new automatic aluminium tube cutting and punching machine is capable of producing one tube every four seconds, is seamlessly linked to the new assembly lines and gives a high throughput of consistently high-quality products. This tube machine received its Industry 4.0 certification at the end of 2017.

(ii) Cartago, Costa Rica

Videndum selected Costa Rica for one of its main manufacturing and engineering facilities because of its well-educated workforce, its proximity to Videndum's largest market (North America) and its lower cost base with tariff incentives. The Costa Rica facility manufactures high end heads, tripods and camera accessories for the Vinten, Sachtler, OConnor and Anton/Bauer brands for the broadcast and cine markets in the Production Solutions Division. The site was established in 1985 and has approximately 190 employees producing over 180,000 products annually, in a 6,000 sq. m. facility, with potential for further expansion. The Costa Rica facility has invested heavily in introducing lean principles to make it one of the most efficient manufacturing facilities in the region. The Cartago site is currently being expanded to accommodate production of the Anton/Bauer Salt-E-Dog sustainable mobile power product and also consolidation of manufacturing of Wooden Camera products from Dallas, USA.

(iii) Bury St. Edmunds, UK

Videndum's Production Solutions Division relocated its Bury St. Edmunds operation into a new, purpose-built site in 2018. Replacing the 50-year old existing factory, the new facility specialises in advanced technology in areas such as robotics, automation and broadcast studio equipment for the Vinten and Sachtler brands. It includes a fully automated, highly efficient and proprietary process for the development of carbon fibre for the flowtech tripod, which maintains Videndum's product differentiation and competitive edge. Videndum has invested significantly in the new, 66,000 sq. ft. site which houses around c.210 people across manufacturing, engineering, operations and other functions, and produces approximately 60,000 units annually. Videndum's focus on continuous improvement has led to productivity, workflow and space utilisation improvements and has enabled Videndum to increase production capacity in 40% less space.

6.4 Employees

The following table details the average number of full-time equivalent employees for the years ended 31 December 2020, 2021 and 2022.

<u>Year ended 31 December</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Average number of full-time employees	1,908	1,784	1,569

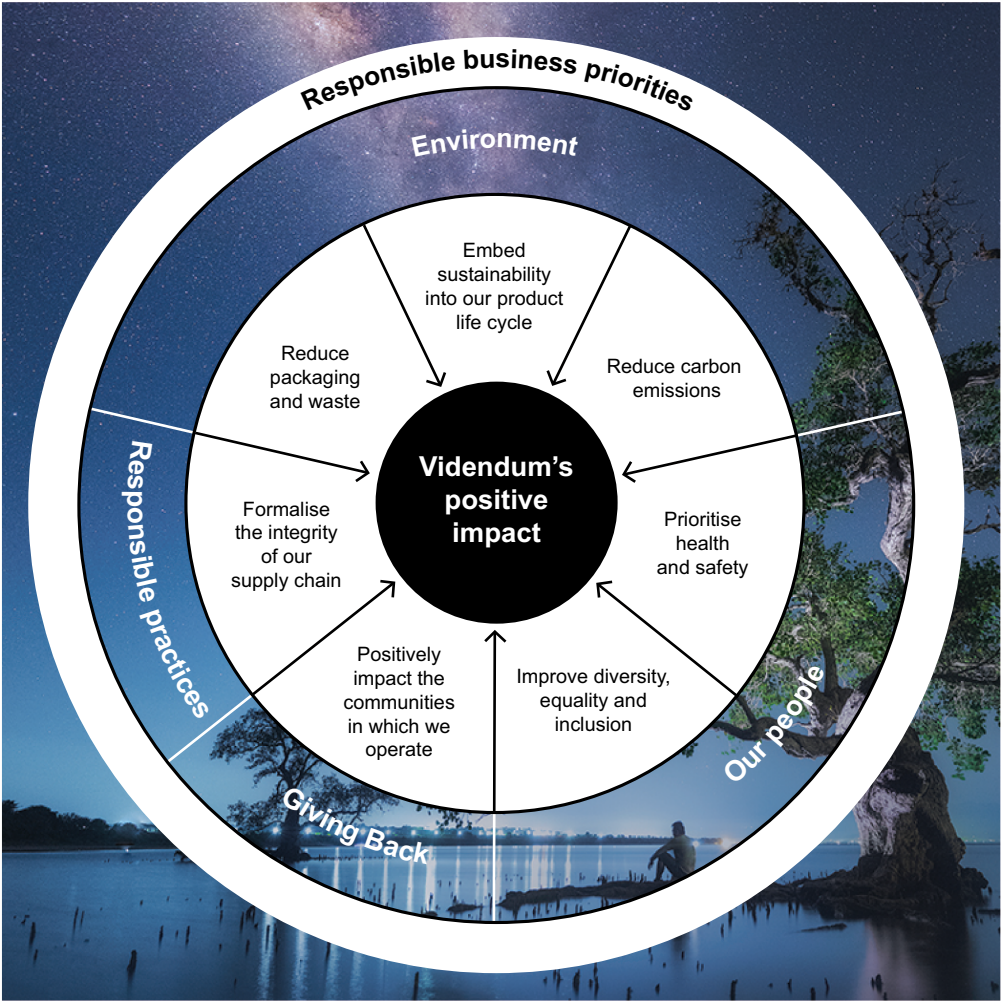
Videndum aims to offer a safe, inclusive and engaging work environment for employees across all 10 countries in which employees are situated. Employees' health and safety is taken very seriously, and they are rewarded fairly with competitive remuneration packages. Appropriate recruitment, appraisal, talent management and succession planning strategies are in place to ensure Videndum recruits and retains diverse, good quality people and leadership across the business. Videndum is supporting its transformation plans with strong communication and employee engagement plans.

6.5 Responsible Business

Videndum is a small company with a global footprint and is committed to working responsibly. Videndum has a coordinated Group-wide approach to ESG which focuses on the material issues that affect the business and its stakeholders. Videndum engages with stakeholders—including employees, shareholders, customers, supply chain and rating agencies—to develop, deliver and evolve the Group's ESG strategy according to their needs.

The ESG strategy includes clear objectives and targets, prioritising actions that can deliver the greatest impact. It is also designed to positively contribute to the success of the Group, to reduce the impact of the business on the environment, to continue to prioritise the health and safety of employees, and to improve the diversity and inclusivity of Videndum's workplaces.

Videndum continues to focus on four key areas: the environment, its people, responsible practices, and giving back.



ESG Governance

The Board provides oversight and has overall responsibility for the Group's ESG programme, while the ESG Committee, chaired by the Group CEO and comprising senior executives from across the

Group, is responsible for driving ESG performance. ESG Governance has been fully integrated into the Group's existing processes.

The ESG Committee is mandated to meet the Board's growing ESG standards and ambitions, lead initiatives across the Group, and ensure compliance with emerging regulations. The ESG Committee meets at least once a quarter, reporting Divisional ESG progress and it updates the Board on Videndum's ESG performance. A percentage of the Group chief executive's remuneration is tied to the Group's climate action and wider ESG performance, including the progress made towards achieving the Group's net zero targets.

In 2022, Videndum established a dedicated ESG Working Group including ESG coordinators from each Division and the Group Risk Assurance Manager. The ESG Working Group meets bi-weekly and is responsible for achieving the Group's wider ESG targets. During 2022, the Board, ESG Committee, ESG Working Group, and broader management continued to address material issues affecting business operations and Videndum's stakeholders.

Also in 2022, Videndum strengthened its relationship with an independent, specialist ESG company, Inspired ESG, working to enhance the Group's ESG strategy and to improve data collection in order to comprehensively, clearly and consistently report ESG progress and credentials. Videndum will produce its third standalone ESG Report for the 2023 reporting period in accordance with the global reporting initiative. Videndum will also develop its third Task Force on Climate-related Financial Disclosures ("TCFD") report, widening its climate scenario analysis and data collection processes to include recently acquired businesses and analysing a greater number of top suppliers, based on spend, than in 2022.

Environment

Videndum performs climate change scenario analysis annually in respect of its main sites and supply chain activities in order to model the impact of climate change for three different warming scenarios. This year, Videndum included more suppliers in its climate scenario analysis. Potential supply chain routes were also analysed, leading to discussions on alternative transport routes to be considered, where needed.

Reducing the Group's carbon footprint is a clear priority for Videndum. The Group has developed and set near-term targets as Videndum progresses toward its goal to be carbon neutral for Scope 1 and 2 by 2025, net zero for Scope 1 and 2 by 2035, and for Scope 3 by 2045. Videndum has identified quantifiable measures to achieve these objectives. By implementing smarter ways of working and investing in infrastructure, the Group has already achieved a significant reduction across the Group's Scope 1 and 2 emissions since 2019, excluding the impact of recently acquired businesses.

In H1 2023, Videndum continued to install energy saving technology across its sites, such as further LED lighting installations, a power saving initiative in IT server rooms and conversion of company vehicles to electric or hybrid models. Compressed air efficiency improvements were completed in Cartago, Costa Rica, with intelligent controls installed, minimising wasted energy. Other carbon reduction initiatives include the installation of solar panels at Feltre, Italy; implementation started in July 2023 and the system is expected to be fully operational by the end of 2023. This will reduce the Group's Co2 emissions by c.15% and Feltre annual electricity costs by c.10%. The ISO50001 certification for the Cartago, Costa Rica site passed the first stage, with stage two planned for October 2023.

The Group is committed to reducing packaging and waste. Videndum has improved its data capture systems to begin collating mass-based data relating to the purchase of packaging materials. Not only does this allow the Group to utilise more accurate emissions factors due to an improvement in the quality of activity-data, but it also ensures that all packaging is being accounted for in Scope 3 Category 12 (end-of-treatment of sold products).

In H1 2023, Videndum continued working towards eliminating single-use plastic and improving the recyclability of packaging and other product components. For example, Production Solutions has recently removed solvent waste from carbon cells, reducing waste output, and is now planning to start trials to replace plastic with paper packaging for spare parts. The Group aims to eliminate or replace 50% of current cardboard packaging consumption with sustainable, FSC grade cardboard.

Videndum continues to focus on developing more sustainable products. In May 2023, the Group's Production Solutions Division launched Salt-E Dog—a sustainable portable power source, in the form

of a sodium battery designed and built for the cine/scripted TV industry. The Group has also made further progress in embedding product life cycle assessment methodology into its top emitting products to identify opportunities to reduce the environmental impact, with the Production Solutions Division due to commence life cycle assessments in H2 2023 for specific product groups (Aktiv and flowtech).

People

The Group's approach to diversity follows a strict policy of sourcing the best person for the role irrespective of race, gender, age, religion, sexual preference, or disability. Videndum's Code of Conduct sets out an express prohibition on discrimination of any kind.

Over five years, Videndum aims to increase the number of female employees across the Group to improve the Group's overall gender diversity from 70% men and 30% women. At a senior leadership level, the Group expects the ratio of women to be at least 30%.

Responsible practices

As part of Videndum's focus on formalising the integrity of its entire supply chain, Videndum conducted a review and gap analysis of existing supply chain assessment processes across the Group. Using the information gathered, Videndum has developed a Group-wide supply chain assessment process to engage with its top suppliers on their carbon emissions and wider ESG credentials.

Giving back

Videndum aims to support and integrate with the local communities and economies where it operates. The Group invests in projects that align with its core values and looks for opportunities to positively impact one disadvantaged person for every Videndum employee in the communities in which it operates. In 2022, the Group positively impacted 443 disadvantaged people.

Example projects include:

- **Videndum's Partnership with Richmond Theatre Creative Learning and Richmond Theatre Trust (both in the UK):** In 2022, as part of the Group's ongoing commitment to supporting the local communities in which Videndum operates, Videndum supported a Richmond-based creative learning programme. Over a three-day period, 20 disadvantaged children aged 12-13 from Twickenham School worked intensively to make two short films. The children developed a range of skills from storyboarding to staging key shots, to acting for camera. As part of Videndum's contribution, each young person was provided with their own mini film-making kit full of Videndum products so they could continue making films after the project ended.
- **Investing in future industry talent:** Videndum donates and lends professional photographic, TV, and cinematic equipment to educational institutions worldwide to upskill future image capture and sharing talent. In 2022, the Divisions continued to collaborate with organisations and universities to share employee know-how with future industry professionals.
- **Charity/employee volunteering/giving back:** Donating to charitable causes and active participation in local communities is an essential focus across the Group. The Group's employees give generously with their time and money, and in 2022, it is estimated that the Group as a whole donated approximately £44,000 across the globe.

At a Divisional level, Production Solutions, as part of their "Action 4 Good" initiative, have already delivered a careers fair, wellness programmes, family walks, a movie makers club and partner with The Rainforest Trust, The Green Light and Offshoot charities. As part of their "Creativity for Life" programme, Media Solutions launched a photography and videomaking educational course aimed at disadvantaged teenagers, focused on documenting sustainability success stories. Creative Solutions donated equipment to Outlast's summer programming—an organisation that facilitates film education for Indigenous youth from rural communities in South Dakota, US.

6.6 Insurance

The Group takes out a number of insurance policies each year, which it believes are appropriate to cover risks in the operation of its business, in respect of the amount and applicable excesses and

deductibles, considering the Group's business locations as well as the size and scope of the Group's business activities. These include property/business interruption insurance, credit insurance, directors and officers insurance, marine insurance, cyber insurance, public and products liability insurance, motor insurance, aviation insurance, UK engineering inspection insurance, UK employers' liability insurance, US workers compensation insurance, crime insurance, professional indemnity insurance, employment practices liability insurance, and personal accident and business travel insurance. The Group's insurance policies are not expected to materially mitigate the impact of the US Writers' and Actors' Strikes on the Group.

6.7 Intellectual Property

Videndum's products are protected by patents and trademarks. Software licences are sold by Videndum on a standalone basis and together with a tangible product. If the licence is considered distinct, the revenue recognition pattern is based on whether the licence is a right-to-use intellectual property (revenue recognised at a point in time) or a right-to-access intellectual property (revenue recognised over time). The majority of the licences granted by Videndum represent a right-to-use intellectual property for which payments are generally in advance. For a right-to-access intellectual property, payments are normally on a monthly basis with a credit period of 30 days.

6.8 Laws and Regulation

Videndum is subject to several forms of legal risk including, without limitation, regulations relating to government contracting rules, sanctions regimes, environment and climate change, taxation, data protection regimes, anti-bribery provisions, competition, and health and safety laws in numerous jurisdictions around the world. Failure to comply with such laws could expose Videndum to fines and penalties and significant damage to its reputation.

6.9 Pension arrangements

The Group operates a number of defined benefit and defined contribution pension schemes for certain of its employees.

The Group has defined benefit pension schemes in the UK, Italy, Germany, Japan and France. The assets of the schemes are held separately from those of the Group. The UK defined benefit scheme was closed to future benefit accrual with effect from 31 July 2010. All UK employees of the Group are now offered membership of the defined contribution pension scheme. Other overseas subsidiaries have their own defined contribution schemes.

At the most recent actuarial valuation on 5 April 2022, the UK defined benefit pension scheme was found to have a technical provisions surplus of £5.5 million. The next valuation will be in 2025.

6.10 R&D

The Group continues to develop innovative new technology to improve customers' productivity by developing products which reduce set up time and lower operating costs. This is becoming increasingly important to customers and drives demand for new and replacement products. Sustained R&D investment is key to enabling Videndum's premium brands to maintain their already strong market positions and, in places, gain share. Gross R&D spend is targeted at c.5% of revenue.

The Group is focusing its future R&D investment in key strategic areas, including: the new generation of high-end wireless audio solutions; AI-driven broadcast studio automated tracking systems; ground-breaking technology for the new generation of Manfrotto supports; as well as technology innovations to refresh its supports for sports, outside broadcast and cine/scripted TV, and high-end solutions for Live Production.

7. DIVIDEND POLICY

Reflecting the impact that the US Writers' and Actors' Strikes and the challenging macroeconomic conditions have had on the financial performance of the Group and its Leverage, Videndum did not declare a dividend at its 2023 Half Year Results.

The Board recognises the importance of dividends to the Group's shareholders and intends to resume payment of a progressive and sustainable dividend when it is appropriate to do so.

PART IX HISTORICAL FINANCIAL INFORMATION

The consolidated financial statements for the Group as at, and for, the financial year ended 31 December 2022 were prepared in accordance with United Kingdom adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006 and IFRS as issued by the IASB.

The consolidated financial statements for the Group as at, and for, the financial year ended 31 December 2022 were audited by Deloitte LLP and the independent auditor's report for this financial year was unqualified.

The unaudited condensed consolidated interim financial statements for the Group as at, and for, the six months ended 30 June 2023 as detailed in the 2023 Half Year Results were prepared in accordance with UK-adopted International Accounting Standards 34 "Interim Financial Reporting" and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority. The independent auditor's interim review report as detailed in the 2023 Half Year Results was reviewed by Deloitte LLP in accordance with the International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410).

The 2023 Half Year Results included financial information relating to the income statement for the year ended 31 December 2022 which was re-stated to present discontinued operations separately from the continuing operations.

The independent auditor's interim review report as detailed in the 2023 Half Year Results draws attention to Note 1 in such condensed set of financial statements, which indicates that there is a plausible downside scenario considered by the Board, which would result in both the covenants being breached in one of the next couple of test dates and whereby liquidity drops to £nil in July 2024. Although the US Writers' and Actors' Strikes have ended (pending the SAG-AFTRA Member Ratification), the key judgment surrounding the material uncertainty is the length of time it will take to recover from the US Writers' and Actors' Strikes, in addition to the recovery from the broader macroeconomic challenges faced by the Group. These conditions alongside other matters explained in Note 1 to the 2023 Half Year Results, indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. The independent auditor's interim review opinion is not modified in respect of this matter.

The audited consolidated financial statements for the Group as at, and for, the financial year ended 31 December 2022 together with the independent auditor's report in respect of this financial year, and the unaudited condensed consolidated interim financial statements for the Group as at, and for, the six months ended 30 June 2023, together with the independent auditor's review report in respect of this period as detailed in the 2023 Half Year Results, are incorporated by reference into this Part IX (*Historical Financial Information*) as described in Part XIV (*Documents incorporated by reference*).

PART X CAPITALISATION AND INDEBTEDNESS

The following tables set out the capitalisation and indebtedness of the Group as reported under IFRS at the dates indicated below, and as such, the following tables do not reflect the impact of the Capital Raising on the Group's capitalisation and indebtedness.

1. STATEMENT OF CAPITALISATION

The following table sets out the capitalisation of the Group as at 30 September 2023.

	As at 30/09/2023
	£ millions
Shareholder's equity	
Share capital	9.4
Share premium	24.5
Translation reserve	(5.6)
Capital redemption reserve	1.6
Cash flow hedging reserve	2.5
Total equity	144.3

2. STATEMENT OF INDEBTEDNESS

The following table sets out the Group's total indebtedness, excluding lease liabilities as at 30 September 2023, extracted without material adjustment from the Group's unaudited consolidated management accounts.

	As at 30/09/2023
	£ millions
	Unaudited
Total current debt	
Securitised	—
Unsecuritised	(32.1)
Total non-current debt (excluding current portion of long-term debt)	
Securitised	—
Unsecuritised	(181.0)
Total indebtedness	(213.1)

The following table sets out the Group's net indebtedness as at 30 September 2023.

	As at 30/09/2023
	£ millions
	Unaudited
Cash	8.1
Current bank debt	(32.0)
Other current financial debt	(0.1)
Current financial debt	(32.1)
Net current financial indebtedness	(24.0)
Non-current bank loans	(180.5)
Other non-current loans	(0.5)
Non-current financial indebtedness	(181.0)
Net financial indebtedness	(205.0)

Indirect and Contingent Indebtedness

	As at 30/09/2023
	£ millions
	Unaudited
Committed capital expenditures	—
Commitment lease payments	See Note 1
Contingent liabilities	—

Note 1

Under IFRS 16, future lease payments are discounted to present value and included in lease liability on BS, at 30 September 2023 this is £36.5m.

There has been no material change to the Group's total capitalisation or total indebtedness in the period since 30 September 2023 to the date of publication of this document.

As at 30 September 2023, the Group does not have indirect or contingent indebtedness.

PART XI
UNAUDITED PRO FORMA FINANCIAL INFORMATION

PART A: UNAUDITED PRO FORMA FINANCIAL INFORMATION

The unaudited pro forma statement of net assets and accompanying notes set out in Part A of Part XI (*Unaudited Pro Forma Financial Information*) has been prepared to show the effect of the Capital Raising and the Director and Senior Management Subscriptions (together, for the purposes of this Part XI (*Unaudited Pro Forma Financial Information*)) only, the “**Total Capital Raising**” on the Group’s net assets as at 30 June 2023 as if the Total Capital Raising had been undertaken at that date.

The Unaudited Pro Forma Financial Information has been prepared in accordance with Annex 20 of the Prospectus Regulation, and in a manner consistent with the accounting policies adopted by the Company in preparing its unaudited condensed consolidated interim financial statements as at and for the six months ended 30 June 2023. It has been prepared on a voluntary basis and for illustrative purposes only and, due to its nature, the Unaudited Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Group’s actual financial position or results.

The unaudited pro forma financial information does not constitute financial statements within the meaning of section 434 of the Companies Act. Shareholders should read the whole of this document and not rely solely on the summarised financial information contained in this Part XI (*Unaudited Pro Forma Financial Information*). Deloitte LLP’s report on the Unaudited Pro Forma Financial Information is set out in Part B of this Part XI (*Unaudited Pro Forma Financial Information*).

The unaudited pro forma financial information has not been prepared, and shall not be construed as prepared, in accordance with Regulation S-X under the US Securities Act. In addition, the Unaudited Pro Forma Financial Information does not purport to represent what the Group’s financial position and results of operations actually would have been if the Total Capital Raising had been completed on the date indicated, nor does it purport to represent the results of operations for any future period or the financial condition at any future date.

Deloitte LLP’s report on the Unaudited Pro Forma Financial Information is set out in Part B of this Part XI (*Unaudited Pro Forma Financial Information*).

Unaudited pro forma statement of net assets as at 30 June 2023

	Group as at 30 June 2023	Adjustment for the Total Capital Raising	Pro forma net assets of the Group
	Note 1 £ million	Note 2 £ million	£ million
Assets			
Non-current assets			
Intangible assets	155.8		155.8
Property, plant and equipment	60.2		60.2
Employee benefit asset	4.7		4.7
Trade and other receivables	5.0		5.0
Derivative financial instruments	3.6		3.6
Non-current tax assets	3.1		3.1
Deferred tax assets	43.7		43.7
	276.1		276.1
Current assets			
Inventories	102.0		102.0
Trade and other receivables	54.3		54.3
Derivative financial instruments	2.8		2.8
Current tax assets	5.3		5.3
Cash and cash equivalents	17.9		17.9
Assets of the disposal group classified as held for sale	22.6		22.6
	204.9		204.9
Total assets	481.0		481.0
Liabilities			
Current liabilities			
Bank overdrafts	4.3		4.3
Interest-bearing loans and borrowings	30.7	(30.7)	—
Lease liabilities	5.7		5.7
Trade and other payables	56.0		56.0
Derivative financial instruments	0.1		0.1
Current tax liabilities	13.8		13.8
Provisions	3.5		3.5
Liabilities of the disposal group classified as held for sale	6.5		6.5
	120.6	(30.7)	89.9
Non-current liabilities			
Interest-bearing loans and borrowings	162.8	(87.2)	75.6
Lease liabilities	30.5		30.5
Other payables	0.8		0.8
Employee benefit liabilities	2.7		2.7
Provisions	0.8		0.8
Deferred tax liabilities	7.2		7.2
	204.8	(87.2)	117.6
Total liabilities	325.4	(117.9)	207.5
Net assets	155.6	117.9	273.5

(1) The net assets of the Group as at 30 June 2023 have been extracted without adjustment from the unaudited consolidated financial statements as of, and for, the six months ended 30 June 2023, incorporated by reference into this document as detailed in Part XIV (*Documents Incorporated by Reference*).

(2) This adjustment reflects the use of the net proceeds of the Total Capital Raising receivable by the Company of £117.9 million, consisting of the following (as explained in Part V (*Letter from the Chair of Videndum plc*) of this Prospectus):

(A) The net proceeds of £117.9 million reflects the following:

	£ million
Gross proceeds from the Capital Raising	125.1
Gross proceeds from the Director and Senior Management Subscriptions	1.2
Net estimated expenses in connection with the Total Capital Raising (excluding VAT)	(8.4)
Net proceeds	117.9

(B) US\$55 million in net proceeds is intended to fund the full repayment and cancellation of the Group's outstanding term loans, which relate to the acquisitions of Savage and Audix, which as at the Latest Practicable Date had an outstanding balance of US\$55 million (£44.2 million), following which the remaining £73.7 million in net proceeds is intended to be used to repay drawings under the Group's Revolving Credit Facility. Through this repayment, it is intended that the full current portion of each of the term loans would be repaid and the remainder of the proceeds would be repaid against the non-current portion of the debt. As a result, current interest-bearing loans and borrowings would reduce by £30.7 million and non-current interest-bearing loans and borrowings would reduce by £87.2 million.

The unaudited pro forma financial information does not take into account trading of the Group subsequent to 30 June 2023.

PART B: ACCOUNTANTS' REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

Deloitte LLP
1 New Street Square
London
EC4A 3HQ

The Board of Directors
on behalf of Videndum plc
Bridge House
Heron Square
Richmond, TW9 1EN

N. M. Rothschild & Sons Ltd
New Court
St Swithin's Lane
London, EC4N 8AL

21 November 2023

Dear Sirs/Mesdames,

Videndum plc (the "Company")

We report on the pro forma financial information (the "**Pro forma financial information**") set out in Part A of Part XI of the prospectus dated 21 November 2023 (the "**Prospectus**"). This report is required by Annex 20, section 3 of the UK version of the Commission delegated regulation (EU) 2019/980 (the "**Prospectus Delegated Regulation**") and is given for the purpose of complying with that regulation and for no other purpose.

Opinion

In our opinion:

- (a) the Pro forma financial information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

Responsibilities

It is the responsibility of the directors of the Company (the "**Directors**") to prepare the Pro forma financial information in accordance with Annex 20 sections 1 and 2 of the Prospectus Delegated Regulation.

It is our responsibility to form an opinion, as to the proper compilation of the Pro forma financial information and to report that opinion to you in accordance with Annex 20 section 3 of the Prospectus Delegated Regulation.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex 1 item 1.3 of the Prospectus Delegated Regulation, consenting to its inclusion in the Prospectus.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed at the date of their issue.

Basis of preparation

The pro forma financial information has been prepared on the basis described in the notes, for illustrative purposes only, to provide information about how the Total Capital Raising might have

affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial statements for the six months ended 30 June 2023.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company in accordance with the Financial Reporting Council's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards or practices.

Declaration

For the purposes of Prospectus Regulation Rule 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 the report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex 1 item 1.2 of the Prospectus Delegated Regulation.

Yours faithfully

Deloitte LLP

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ, United Kingdom. Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients.

PART XII TAXATION

PART A: UNITED KINGDOM TAXATION

1. Introduction

The following paragraphs are intended only as a general guide to certain UK tax considerations, are not exhaustive and are based on current UK tax law as applied in England and Wales and published HMRC practice (which may not be binding on HMRC) as at the date of this document, both of which are subject to change, possibly with retrospective effect. They summarise certain limited aspects of the UK tax position of Shareholders who are resident (and in the case of individual Shareholders, resident and domiciled or deemed domiciled) in (and only in) the UK for UK tax purposes, to whom “split year” treatment does not apply, who are the absolute beneficial owners of their Ordinary Shares and any dividends paid on them and who hold their Ordinary Shares as an investment (other than in an Individual Savings Account, a Self-Invested Personal Pension or as carried interest) and not as securities to be realised in the course of a trade.

The discussion below does not address all possible tax consequences relating to an investment in shares and relates only to certain limited aspects of the UK tax consequences of acquiring, holding and disposing of New Ordinary Shares. Certain categories of Shareholders, such as (but not limited to) traders, brokers, dealers in securities, market makers, banks, financial institutions, investment companies, charities, pension schemes, those that are exempt from taxation, those subject to UK tax on the remittance basis, Shareholders who have (or who are deemed to have) acquired their Ordinary Shares by virtue of an office or employment, persons holding Ordinary Shares as part of hedging or conversion transactions, Shareholders who are not domiciled or resident in the UK, collective investment vehicles, trusts and those who hold 5% or more of the Ordinary Shares may be taxed differently and are not considered.

The material set out in the paragraphs below does not constitute tax advice. If you are in any doubt as to your tax position or you are subject to tax in a jurisdiction outside the UK, you should consult an appropriate professional adviser before taking any actions. Investors should note that tax law and interpretation can change and that, in particular, the level and basis of, and reliefs from, taxation may change and that may alter the benefits of investment.

2. Dividends

Under current law, no UK tax will be withheld by the Company when it pays a dividend.

A Shareholder's liability to tax on dividends will depend on the individual circumstances of the Shareholder.

(A) Individuals

An individual Shareholder who is resident and domiciled or deemed domiciled in the UK for tax purposes does not currently have to pay income tax on the first £1,000 of dividend income they receive from the Company (or from other sources) per annum (the “**Nil Rate Amount**”), regardless of the tax rate that would otherwise apply. Dividend income received will form part of the Shareholder's total income for income tax purposes, and so income that falls within the Nil Rate Amount will count towards the Shareholder's basic or higher rate income tax limits and may affect the rate of tax due on any dividend income in excess of the Nil Rate Amount.

From 6 April 2024, the Nil Rate Amount will decrease to £500.

Any dividend income received over the Nil Rate Amount will be treated as the highest part of the individual Shareholder's income and will be taxed, subject to the availability of any income tax personal allowance, for the 2023/2024 tax year:

- (i) at 8.75% to the extent it falls above the individual Shareholder's income tax personal allowance, if any, but below the threshold for the higher rate of income tax;
- (ii) 33.75% to the extent it falls above threshold for the higher rate of income tax but below the threshold for the additional rate of income tax; and
- (iii) 39.35% to the extent it falls above the threshold for the additional rate of income.

(B) Companies

UK resident corporate Shareholders which are “*small companies*” (for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009) will not generally be subject to tax on dividends from the Company provided certain conditions are met (including an anti-avoidance condition).

Other UK resident corporate Shareholders will be subject to tax on dividends received from the Company unless the dividends fall within one of a number of statutory exemptions and certain conditions are met. Examples of dividends that fall within an exemption include (a) dividends paid on shares that are not redeemable and do not carry any present or future preferential rights to dividends or to the company’s assets on a winding up, and (b) dividends paid to a person holding less than 10% of the issued share capital of the payer (or, where there is more than one class of share, the same class of that share capital in respect of which the dividends are paid) as long as those shares carry rights to less than 10% of the profits available for distribution and less than 10% of the assets on a winding up of the payer.

The exemptions described above are not comprehensive and are subject to anti-avoidance rules. Where the conditions for an exemption are not met or cease to be satisfied, or such Shareholder elects for an otherwise exempt dividend to be taxable, the Shareholder will be subject to UK corporation tax on dividends received at the rate of corporation tax applicable to that Shareholder (the main rate of UK corporation tax is currently 25%).

3. Taxation of Chargeable Gains

(A) Open Offer

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

To the extent that the acquisition of the Open Offer Shares is regarded as a reorganisation of the Company’s share capital for the purposes of the UK taxation of chargeable gains, a Qualifying Shareholder should not be treated as making a disposal of any part of their Existing Holding by reason of taking up all or part of their Open Offer Entitlements. No liability to UK taxation on chargeable gains should arise in respect of the issue of the Open Offer Shares if a Qualifying Shareholder takes up all of their Open Offer Entitlements. The Open Offer Shares issued to the Qualifying Shareholder should be treated as the same asset, acquired at the same time they acquired their Existing Ordinary Shares. The amount of subscription monies paid for the Open Offer Shares should be added to the base cost of their Existing Ordinary Shares when computing any gain or loss on any subsequent disposal.

If, or to the extent that, the acquisition of Open Offer Shares under the Open Offer is not regarded as a reorganisation of the Company’s share capital, the Open Offer Shares acquired by each Qualifying Shareholder under the Open Offer should, for the purposes of the UK taxation of chargeable gains, be treated as a separate acquisition of New Ordinary Shares and the price paid for those Open Offer Shares should constitute their base cost. For both corporate and individual Qualifying Shareholders, the Open Offer Shares should be pooled with their Existing Ordinary Shares and the share identification rules should apply on a future disposal.

(B) Firm Placing

The issue of Firm Placing Shares to Firm Placees pursuant to the Firm Placing should not be regarded as a reorganisation of the Company’s share capital for the purposes of the UK taxation of chargeable gains. Accordingly, such an acquisition of New Ordinary Shares should instead be treated as a separate acquisition of New Ordinary Shares.

(C) Placing

Similarly, the issue of Placing Shares to Placees pursuant to the Placing should not constitute a reorganisation of the Company’s share capital for the purposes of the UK taxation of chargeable gains

and, accordingly, any acquisition of New Ordinary Shares by a Placee pursuant to the Placing should be treated as a separate acquisition of New Ordinary Shares.

(D) Subsequent disposal of New Ordinary Shares

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

If the disposal gives rise to a chargeable gain for the purposes of UK taxation of chargeable gains, in the case of UK resident individual Shareholders, subject to any available exemption or relief, UK capital gains tax will apply to gains above the annual exempt amount (currently £6,000) currently at a rate of 10% or 20% depending on the total amount of the individual's taxable income. From 6 April 2024, the annual exempt amount will be £3,000. No indexation allowance will be available to an individual Shareholder in respect of the disposal of New Ordinary Shares.

For a corporate Shareholder within the charge to UK corporation tax, subject to any available exemption or relief, corporation tax at the rate applicable to that Shareholder will apply to gains (the current main rate of UK corporation tax is 25%). It should be noted, for the purposes of calculating any indexation allowance available on a disposal of New Ordinary Shares, that generally the expenditure incurred in acquiring the New Ordinary Shares will be treated as incurred only when the Shareholder made, or became liable to make payment, and not at the time those shares are otherwise deemed to have been acquired. For disposals on or after 1 January 2018, indexation allowance will be calculated only up to and including December 2017, irrespective of the date of disposal of New Ordinary Shares.

4. Stamp Duty and Stamp Duty Reserve Tax

(A) Issue of New Ordinary Shares

No stamp duty or SDRT will generally be payable on the issue of New Ordinary Shares by the Company (whether in certificated form outside CREST or credited in uncertified form to an account in CREST).

Following the decisions of the European Court of Justice in *Case C-569/09 HSBC Holdings plc and Vidacos Nominees Ltd v HMRC (Case 569/07)* and the First Tier Tribunal in *HSBC Holdings plc and the Bank of New York Mellon Corporation v HMRC [2012] UK FTT 163* (the "**Decisions**"), HMRC has confirmed that 1.5% SDRT is no longer payable when new shares are issued (or on transfers that are an integral part of a capital raising) to a clearance service or depositary receipt system (or their nominee or agent) on the basis that this is not compatible with EU law. HMRC's published view is that this remains the position under the terms of the European Union (Withdrawal) Act 2018 following the end of the transition period unless the stamp taxes on shares legislation is amended.

As a result of the Retained EU Law (Revocation and Reform) Act, pre-existing EU law rights recognised in litigation, would by default (in the absence of the exercise of a regulation-making power to restate or reproduce such rights in UK domestic law), cease to be recognised after 31 December 2023. The disapplication of the 1.5% SDRT charge as recognised in the Decisions is such an EU law right recognised in litigation. However, the UK government has published draft legislation for consultation which would (with effect from 1 January 2024) remove the 1.5% charge to stamp duty or SDRT in relation to (i) issues of securities or stock into depositary receipt systems and clearance services, and (ii) transfers of securities into depositary receipt systems and clearance services made in the course of capital-raising arrangements. It is the UK government's currently published intention that this draft legislation will be included in an upcoming Finance Bill. Note that (if adopted) it is anticipated that this legislation would be enacted after 1 January 2024. There is, therefore, material uncertainty as to the status of the 1.5% charge, and HMRC's approach to enforcing it, for the period from 1 January 2024 until the legislation's enactment. Accordingly, specific professional advice should be sought before effecting an issue or transfer of shares to a depositary receipt system or to a person providing clearance services (or their nominee or agent).

(B) Subsequent dealings in New Ordinary Shares

Except in relation to depositary receipt systems and clearance services (to which the special rules outlined below apply), any subsequent dealings in the New Ordinary Shares will be subject to stamp duty or SDRT in the normal way. Subject to an exemption for certain low value transactions, the transfer on sale of New Ordinary Shares effected outside CREST will generally be liable to stamp duty

at the rate of 0.5% of the amount or value of the consideration payable (rounded up to the nearest multiple of £5) or, if an unconditional agreement to transfer New Ordinary Shares is not completed by a duly stamped transfer, or where the transfer is effected in CREST, SDRT at the rate of 0.5% of the amount or value of the consideration payable. In cases where New Ordinary Shares are transferred to a connected company (or its nominee), SDRT (or stamp duty) may be chargeable on the higher of: (a) the amount or value of the consideration payable; and (b) the market value of the New Ordinary Shares, subject to any relief which may be available for intragroup transfers.

Where New Ordinary Shares are transferred to (or to a nominee or agent for) a depositary receipt system or a clearance system, stamp duty or SDRT will generally be payable at the higher rate of 1.5% of the amount or value of the consideration payable in respect of the New Ordinary Shares or, in certain circumstances, the market value of the New Ordinary Shares with subsequent transfers within the clearance service or transfers of depositary receipts then not being chargeable to SDRT or stamp duty. There is an exception from the 1.5% charge where a clearance service has made and maintained a relevant election under section 97A(1) of the Finance Act 1986, which has been approved by HMRC. In these circumstances, SDRT at the rate of 0.5% will arise. Transfers of New Ordinary Shares into such a system which has made this election, or agreements to transfer New Ordinary Shares within such a system, will be subject to stamp duty or SDRT in the normal way.

Any liability for stamp duty or SDRT in respect of a transfer into a clearance service or depositary receipt system, or in respect of a transfer within such a service or system, will strictly be accountable by the operator of the clearance service or depositary receipt system or its nominee, as the case may be, but in practice will generally be reimbursed by participants in the clearance service or depositary receipt system. Specific professional advice should be sought before transferring shares to a person within this paragraph.

PART B: US TAXATION

1. US federal income tax considerations

The following is a summary of US federal income tax considerations that are generally applicable to the receipt, exercise and expiration of the Open Offer Entitlements (for the purposes of this Part B of this Part VI (*Taxation*) only, the “**Entitlements**”) and the acquisition, ownership and disposition of New Ordinary Shares, in each case, by a US Holder (as defined below). This summary deals only with US Holders that receive Entitlements or New Ordinary Shares through the exercise of Entitlements, and hold those New Ordinary Shares, in each case, as “capital assets” (generally, property held for investment) within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (for the purposes of this Part B of this Part VII (*Taxation*) only, the “Code”). The discussion does not cover all aspects of US federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the receipt, exercise or expiration of Entitlements or the acquisition, ownership or disposition of New Ordinary Shares by particular investors in light of their individual investment circumstances. This summary also does not address tax considerations applicable to investors that own (directly, indirectly or by attribution) 10% or more of the stock of the Company (by vote or value), nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under US federal income tax law (such as banks, financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, regulated investment companies or real estate investment trusts, tax-exempt organisations, brokers or dealers in securities or currencies or traders in securities that elect to use a mark-to-market method of accounting, investors that will hold the New Ordinary Shares as part of straddles, hedging transactions or conversion transactions for US federal income tax purposes, US expatriates, investors whose functional currency is not USD, S corporations and persons holding Entitlements or New Ordinary Shares in connection with a permanent establishment or fixed base outside the United States). This summary does not address any tax consequences arising under any state, local or non-US tax laws, the Medicare tax on “net investment income”, the alternative minimum tax, or any other US federal tax laws.

This summary is based on the tax laws of the United States, including the Code, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, as well as on the income tax treaty between the United States and the United Kingdom, all as of the date of this document. These authorities are subject to differing interpretations and may change, possibly retroactively, resulting in US federal income tax consequences different from those discussed below. The Company has not requested, and will not request, a ruling from the United States Internal Revenue Service (“**IRS**”) with respect to any of the US federal income tax consequences described below, and as a result there can be no assurance that the IRS will not disagree with or challenge any of the conclusions the Company has reached and described herein, or that such contrary positions will not be sustained by a court.

For purposes of this discussion, a “**US Holder**” is a beneficial owner of the Entitlements or New Ordinary Shares that is, for US federal income tax purposes: (1) an individual who is a citizen or resident of the United States; (2) a corporation that is organised in or under the laws of the United States, any state thereof or the District of Columbia; (3) a trust if all of the trust’s substantial decisions are subject to the control of one or more US persons and the primary supervision of the trust is subject to a US court, or if a valid election is in effect with respect to the trust to be taxed as a US person; or (4) an estate the income of which is subject to US federal income taxation regardless of its source.

The US federal income tax treatment of a partner in an entity or arrangement treated as a partnership for US federal income tax purposes that holds the Entitlements or New Ordinary Shares will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for US federal income tax purposes and persons holding Entitlements or New Ordinary Shares through such partnerships should consult their tax advisers concerning the US federal income tax consequences to them and their partners of the receipt, exercise and expiration of the Entitlements or the acquisition, ownership and disposition of New Ordinary Shares by the partnership.

THE SUMMARY OF US FEDERAL INCOME TAX CONSIDERATIONS SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE RECEIPT,

EXERCISE AND EXPIRATION OF THE ENTITLEMENTS AND THE ACQUISITION, OWNERSHIP AND DISPOSITION OF NEW ORDINARY SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-US AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

2. Taxation in respect of Entitlements

(A) Receipt of Entitlements

Based on the particular facts relating to the Entitlements, the Company believes that the distribution of Entitlements should not be treated as a taxable stock dividend under Section 305(a) of Code. However, the application of Section 305 of the Code to the Entitlements is not clear in several respects, and it is possible that the IRS will take a contrary view. If the IRS takes such contrary view and Section 305 of the Code is applied to the distribution, a US Holder who receives an Entitlement could, in certain circumstances, be treated as having received a taxable distribution in an amount equal to the value, if any, of such Entitlement. One such instance would be where, as a result of the Capital Raising, a Shareholder's proportionate interest in the earnings and profits or assets of the Company is increased while any other Shareholder (or deemed Shareholder) receives (or is deemed to receive) a distribution of cash or other property from the Company. If some holders of Existing Ordinary Shares are treated as receiving cash from the Company in connection with Capital Raising, the receipt of Entitlements by others (to the extent it results in an increase in such other holders' proportionate interest in the assets or earnings and profits of the Company) could be treated as a taxable stock dividend. For further discussion of taxation of dividends, see "*Taxation in Respect of New Ordinary Shares-Dividends*" below. US Holders are strongly urged to consult their tax advisers regarding the risk of having a taxable distribution as a result of the receipt of an Entitlement. The remainder of this discussion assumes that the receipt of the Entitlements will not be a taxable stock dividend for US federal income tax purposes.

(B) Tax basis and holding period of Entitlements

If, on the date of distribution, the fair market value of the Entitlements is less than 15% of the fair market value of the Existing Ordinary Shares with respect to which the Entitlements are received, the Entitlements will be allocated a zero tax basis unless the US Holder affirmatively elects to allocate a portion of such US Holder's adjusted tax basis in its Existing Ordinary Shares to the Entitlements in proportion to the relative fair market values of the US Holder's Existing Ordinary Shares and the Entitlements received, determined on the date of distribution. This election must be made on the US Holder's timely filed US federal income tax return for the taxable year in which the Entitlements are received and is irrevocable. The election will apply to all of the Entitlements received by the US Holder pursuant to the Capital Raising. US Holders should consult their own tax advisers regarding the advisability of making such an election and the specific procedures for doing so.

If, on the date of distribution, the fair market value of the Entitlements is 15% or more of the fair market value of the Existing Ordinary Shares with respect to which Entitlements are received, then, except as discussed below under "*Expiration of Entitlements*", the US Holder's adjusted tax basis in its Existing Ordinary Shares must be allocated between the Existing Ordinary Shares and Entitlements received in proportion to their fair market values determined on the date of distribution.

A US Holder's holding period for Entitlements will include the US Holder's holding period in the underlying Existing Ordinary Shares with respect to which the Entitlements were distributed (whether or not basis is allocated to the Entitlements).

(C) Expiration of Entitlements

If a US Holder allows the Entitlements to expire without exercising them, the US Holder will not recognise any loss upon the expiration of the Entitlements. Upon expiration, if the US Holder had previously allocated to the Entitlements a portion of the basis in the underlying Existing Ordinary Shares held by the US Holder, that basis will be reallocated to such Existing Ordinary Shares.

(D) Exercise of Entitlements

A US Holder will generally not recognise taxable income upon the receipt of New Ordinary Shares pursuant to the exercise of Entitlements. A US Holder's basis in the New Ordinary Shares will equal the sum of the USD value of the Offer Price and the US Holder's basis, if any, in the Entitlements exercised to obtain the New Ordinary Shares (as determined pursuant to the rules discussed above in

“Taxation in Respect of Entitlements-Tax Basis and Holding Period of Entitlements”). A US Holder’s holding period for the New Ordinary Shares received will not include the US Holder’s corresponding holding period for its Entitlements.

A US Holder that exercises Entitlements received in the Capital Raising within 30 days of disposing of the Existing Ordinary Shares with respect to which the Entitlements were received at a loss is urged to consult a tax adviser regarding the potential application of the “wash sale” rules under Section 1091 of the Code.

3. Taxation in Respect of New Ordinary Shares

(A) Dividends

Subject to the discussion of the passive foreign investment company (“**PFIC**”) rules below, distributions paid by the Company out of current or accumulated earnings and profits (as determined for US federal income tax purposes) will generally be taxable to a US Holder as foreign source dividend income, and will not be eligible for the dividends received deduction allowed to corporations. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the US Holder’s basis in the New Ordinary Shares and thereafter as capital gain. However, the Company does not maintain and does not intend to maintain calculations of its earnings and profits in accordance with US federal income tax accounting principles. US Holders should therefore assume that any distribution made by the Company with respect to the New Ordinary Shares will be reported as a dividend. A dividend distribution will generally be treated as foreign source “passive” income for US foreign tax credit purposes. Subject to certain complex conditions and limitations, non-US taxes (if any) withheld on any distributions on the New Ordinary Shares may be eligible for credit against a US Holder’s federal income tax liability or, at such US Holder’s election, may be eligible for a deduction in computing such US Holder’s US federal taxable income. US Holders should consult their tax advisers regarding the availability of a foreign tax credit in their particular circumstances and the possibility of claiming a deduction (in lieu of the foreign tax credit) for any foreign taxes paid or withheld.

With respect to individuals and certain other non-corporate US Holders, dividends will be taxed at the lower capital gains rate applicable to qualified dividend income, provided that: (1) the Company is eligible for benefits of the tax treaty between the United States and the United Kingdom; (2) the Company is not a PFIC with respect to the US Holder for either the taxable year in which the dividend is paid or the preceding taxable year; (3) certain holding period requirements are met; and (4) the US Holder is not under an obligation to make a related payment with respect to positions in substantially similar or related property.

Dividends paid in a currency other than USD will be included in income in a USD amount calculated by reference to the exchange rate in effect on the day the dividends are received by the US Holder, regardless of whether the foreign currency dividends are converted into USD at that time. If dividends received in a currency other than USD are converted into USD on the day they are received, the US Holder generally will not be required to recognise foreign currency gain or loss in respect of the dividend income. If instead the foreign currency is converted at a later date, any currency gains or losses resulting from the conversion of the foreign currency will be treated as US source ordinary income or loss.

(B) Sale or other taxable disposition

Subject to the discussion of the PFIC rules below, a US Holder generally will recognise capital gain or loss on a sale or other taxable disposition of New Ordinary Shares equal to the difference, if any, between the amount of cash plus the fair market value of other consideration received on the sale or other taxable disposition and the US Holder’s adjusted tax basis in the New Ordinary Shares, in each case as determined in USD. This capital gain or loss generally will be long-term capital gain or loss if the US Holder’s holding period in the New Ordinary Shares exceeds one year. As discussed above, if the US Holder is not a corporation, long-term capital gains for taxable dispositions of New Ordinary Shares are generally eligible for reduced rates of taxation. Any capital gain or loss will generally be US source gain or loss for US foreign tax credit purposes. The deductibility of capital losses is subject to limitations.

If the consideration received upon the sale or other taxable disposition of New Ordinary Shares is paid in foreign currency, the amount realised will be the US dollar value of the payment received, translated

at the spot rate of exchange on the date of the taxable disposition. The New Ordinary Shares will be listed and traded on the London Stock Exchange. If the New Ordinary Shares are treated as traded on an established securities market for US federal income tax purposes and the relevant US Holder is either a cash basis taxpayer or an accrual basis taxpayer who has made a special election (which must be applied consistently from year to year and cannot be changed without the consent of the IRS), such US Holder will determine the US dollar value of the amount realised in foreign currency by translating the amount received at the spot rate of exchange on the settlement date of the taxable disposition. An accrual basis taxpayer that does not make the special election may be required to recognise exchange gain or loss to the extent attributable to the difference between the exchange rates on the date of the taxable disposition and the settlement date of the taxable disposition, and such exchange gain or loss generally will constitute US-source ordinary income or loss.

4. Passive Foreign Investment Company Considerations

The Company believes that it was not a PFIC for US federal income tax purposes in its previous taxable year and does not expect to become a PFIC in its current taxable year or in the foreseeable future. A non-US corporation is a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable “look-through rules”, either: (i) at least 75% of its gross income is “passive income”; or (ii) at least 50% of the average value of its assets is attributable to assets that produce passive income or are held for the production of passive income. The determination of PFIC status must be made annually, is fact specific and may be affected by changes in the Company’s activities, revenue and assets subsequent to the Capital Raising, and there can be no assurance in this regard. Accordingly, it is possible that the Company may become a PFIC in the current taxable year or in future years. If the Company were to be treated as a PFIC for any taxable year when a US Holder owns or owned the New Ordinary Shares, materially adverse consequences could result to such US Holders for that year and all future years during which such US Holder retains such shares, regardless of whether the Company continues to meet the PFIC test. The discussion above assumes that the Company is not, has not been and will not become, a PFIC.

5. Information Reporting and Backup Withholding

Distributions with respect to New Ordinary Shares and proceeds from the sale or other taxable disposition of New Ordinary Shares may be subject to information reporting to the IRS and US backup withholding. A US Holder generally will be eligible for an exemption from backup withholding if the US Holder furnishes a correct taxpayer identification number and makes any other required certification or is otherwise exempt from backup withholding. US Holders who are required to establish their exempt status may be required to provide such certification on IRS Form W-9. US Holders should consult their tax advisers regarding the application of the US information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a US Holder’s US federal income tax liability, and such US Holder may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing an appropriate claim for refund with the IRS and furnishing any required information.

6. Transfer Reporting Requirements

A US Holder who acquires New Ordinary Shares may be required to file Form 926 (or similar form) with the IRS in certain circumstances. A US Holder who fails to file any such required form could be required to pay a penalty equal to 10% of the gross amount paid for the New Ordinary Shares (subject to a maximum penalty of US\$100,000, except in cases of intentional disregard). US Holders should consult their tax advisers with respect to this or any other reporting requirement that may apply to the receipt or exercise of the Entitlements or the acquisition, ownership or disposition of the New Ordinary Shares, including the requirements related to the holding of certain “specified foreign financial assets”.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE IMPORTANT TO YOU. EACH PROSPECTIVE PURCHASER SHOULD CONSULT ITS TAX ADVISER ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN NEW ORDINARY SHARES UNDER THE INVESTOR’S OWN CIRCUMSTANCES.

PART XIII ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

The Directors, whose names appear on page 45 of this document, 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.

2. INCORPORATION AND ACTIVITY OF THE COMPANY

The Company was incorporated and registered in England and Wales as a private limited company under the Companies Acts, 1908 to 1917 with the name W. Vinten, Limited on 30 January 1928 as a private company limited by shares with registered number 00227691. The Company's name was subsequently changed to Vinten Group Limited on 31 August 1973. On 3 November 1981, the Company was re-registered as a public limited company. On 18 September 1984, the Company changed its name to Vinten Group plc. On 24 October 1995, the Company changed its name to Vitec Group plc. On 17 April 2001, the Company changed its name to The Vitec Group Plc. and has subsequently changed its name to Videndum plc on 23 May 2022. The legal entity identifier of the Company is 2138007H5DQ4X8YOCF14. The principal activity of the Company is to act as the ultimate holding company of the Group.

The Company is domiciled in England and Wales with its registered and head office at Bridge House, Heron Square, Richmond, TW9 1EN, United Kingdom. The telephone number of the Company's registered office is +44 (0)20 8332 4600.

3. SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date, the share capital of the Company was £9,374,157, comprised of 46,870,787 Existing Ordinary Shares of 20 pence each, all of which were fully paid or credited as fully paid. The Existing Ordinary Shares are listed on the premium listing segment of the Official List and admitted to trading on the London Stock Exchange's main market for listed securities.

The issued and fully paid share capital of the Company immediately following completion of the Capital Raising, assuming that the maximum number of New Ordinary Shares is issued and that no Ordinary Shares are issued as a result of the exercise of any options between the Latest Practicable Date and the completion of the Capital Raising, is expected to be as follows:

	<u>Number</u>	<u>Aggregate nominal value (£)</u>
Ordinary Shares	94,200,741	18,840,148

The Company remains subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash, and the provisions of section 561 of the Companies Act (which confer on Shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) apply to the issue of Ordinary Shares by the Company which are not within a disapplication approved by Shareholders in a general meeting of the Company.

Pursuant to the Capital Raising, the Company will issue in aggregate 46,870,787 New Ordinary Shares of which 28,122,472 New Ordinary Shares are proposed to be issued under the Firm Placing and 18,748,315 New Ordinary Shares are proposed to be issued under the Placing and Open Offer, in each case at a price of 267 pence per New Ordinary Share. This will result in the issued share capital of the Company increasing by approximately 100%.

If a Qualifying Shareholder who is not a Placee does not take up any of their Open Offer Entitlements, such Qualifying Shareholder's holding, as a percentage of the Enlarged Share Capital, will be diluted by 50% as a result of the Capital Raising and the Director and Senior Management Subscriptions (assuming no options granted under the Videndum Share Plans are exercised between the Latest Practicable Date and the completion of the Capital Raising).

If a Qualifying Shareholder who is not a Placee takes up their Open Offer Entitlements in full, such Qualifying Shareholder's holding, as a percentage of Enlarged Share Capital, will be diluted by 30% as a result of the Firm Placing and the Director and Senior Management Subscriptions.

4. INFORMATION ABOUT THE NEW ORDINARY SHARES

4.1 Description and type of securities

The New Ordinary Shares will be fully paid ordinary shares with a nominal value of 20 pence each. On Admission, the New Ordinary Shares will be registered with an ISIN of GB0009296665 and a SEDOL of 0929666. The New Ordinary Shares will be traded on the main market for listed securities of the London Stock Exchange under the ticker symbol “VID”. It is expected that Admission will become effective and that dealings on the London Stock Exchange in the New Ordinary Shares will commence at 8.00 a.m. on 8 December 2023.

The New Ordinary Shares will be issued under the Companies Act.

On Admission, 47,329,954 New Ordinary Shares will be issued. The New Ordinary Shares will be freely transferable and there will be no restrictions on the transfer of New Ordinary Shares in the United Kingdom.

All New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions made, paid or declared after the date of issue of the New Ordinary Shares. The New Ordinary Shares do not carry any rights to participate in a distribution of capital (including on a winding-up) other than those that exist as a matter of law.

On a show of hands at general meetings of the Company, every Shareholder who is present in person and every person holding a valid proxy shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote per New Ordinary Share.

4.2 Form and currency of the New Ordinary Shares

The New Ordinary Shares will be in registered form and will be capable of being held in certificated and uncertificated form. The Registrar of the Company is Equiniti Limited.

The New Ordinary Shares are, and on Admission will be, denominated in pounds sterling.

Title to the certificated New Ordinary Shares will be evidenced by entry in the register of members of the Company and title to uncertificated New Ordinary Shares will be evidenced by entry in the operator register maintained by the Registrar (which will form part of the register of members of the Company).

No share certificates will be issued in respect of New Ordinary Shares in uncertificated form. No temporary documents of title have been or will be issued in respect of the New Ordinary Shares.

It is currently anticipated that the New Ordinary Shares will be eligible to join CREST, the computerised, paperless system for settlement of sales and purchases of shares in the London securities market, with effect immediately upon Admission becoming effective and the commencement of dealings on the London Stock Exchange in the New Ordinary Shares.

5. EXISTING SHAREHOLDER AUTHORITIES

The following resolutions were passed by Shareholders at the 2023 Annual General Meeting:

- (A) the Directors are authorised to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount equal to £931,776 (representing 4,658,884 ordinary shares of 20 pence each). This amount represents approximately 10% of the Company's issued ordinary share capital (excluding treasury shares) as at 24 February 2023. The Directors are not authorised under this resolution to exercise powers of the Company to allot equity securities in connection with any offer by way of a rights issue. The Directors have no present intention to exercise the authority sought under this resolution other than to allot shares to satisfy the exercise of share options to the Company's employees under the Company's share plans. The authority will expire at the earlier of: (i) 11 August 2024; or (ii) the conclusion of the Company's annual general meeting in 2024; and
- (B) the Directors are authorised to allot ordinary shares (or sell any ordinary shares which the Company elects to hold in treasury) for cash without first offering them to existing shareholders in proportion to their existing shareholdings. This authority is limited to allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by

the rights of those shares or as the Board otherwise considers necessary, or otherwise up to an aggregate nominal amount of £465,888 (representing 2,329,442 ordinary shares). This aggregate nominal amount represents approximately 5% of the Company's issued ordinary share capital as at 24 February 2023. The authority will expire at the earlier of: (i) 11 August 2024; or (ii) the conclusion of the Company's annual general meeting in 2024. As at the Latest Practicable Date, the Company holds no ordinary shares in treasury.

6. MAJOR SHAREHOLDERS

As at the Latest Practicable Date, the Company had been notified in accordance with Rule 5 of the Disclosure Guidance and Transparency Rules of the following interests in its issued share capital:

<u>Name of shareholder</u>	<u>Percentage of total voting rights</u>
Alantra EQMC Asset Management	21.14%
Aberforth Partners ⁽¹⁾	14.22%
Royal London Asset Management	7.78%
Brown Capital Management	4.86%
Gidema SPA	3.70%
Janus Henderson Investors	3.60%
Invesco	3.02%
Schroder Investment Management	3.00%

(1) Includes voting rights controlled by The Wellcome Trust (4.68% as at the Latest Practicable Date). Aberforth only controls (or has the right to control) the votes attaching to 9.54% of the Existing Ordinary Shares.

None of the Company's major shareholders has different voting rights from any other holder of Ordinary Shares.

7. DIRECTORS AND SENIOR MANAGEMENT

7.1 Directors

The Directors and their principal functions within the Company, together with a brief description of their management experience and expertise and principal business activities outside the Company, are set out below. The business address of each of the Directors (in such capacity) is Bridge House, Heron Square, Richmond, TW9 1EN, United Kingdom.

<u>Name</u>	<u>Position</u>
Ian McHoul	Chair
Stephen Bird	Group Chief Executive
Andrea Rigamonti	Group Chief Financial Officer
Anna Vikström Persson	Independent Non-Executive Director
Caroline Thomson	Independent Non-Executive Director, Chair of the Remuneration Committee
Dr Erika Schraner	Independent Non-Executive Director, Chair of the Audit Committee
Graham Oldroyd	Independent Non-Executive Director
Teté Soto	Independent Non-Executive Director
Richard Tyson	Independent Non-Executive Director, Senior Independent Director
Stephen Harris	Independent Non-Executive Director, Chairman Designate

(A) *Ian McHoul*

Chair, British, aged 63, appointed to the Board on 25 February 2019; Chair of the Nominations Committee; Ian ceased being a member of the Audit and Remuneration Committees on becoming Chair on 21 May 2019. Ian McHoul has confirmed that he will not stand for reappointment at the 2024 annual general meeting of the Company and will therefore cease to be a director at the conclusion of the 2024 annual general meeting.

Ian is currently a non-executive director and the Chair of the Audit Committee of Bellway plc and Young & Co's Brewery PLC. He was formerly a non-executive director of Britvic plc (2014 to 2022) (including serving as senior independent director and Chair of the Audit Committee within such

tenure), a non-executive director of Wood Group PLC (2017 to 2018) and a senior independent director (including serving as Chair of the Audit Committee) of Premier Foods plc (from 2004 to 2013). He held several roles in his executive career including Chief Financial Officer at Amec Foster Wheeler plc between 2008 and 2017, Group Finance Director at Scottish & Newcastle plc from 2001 to 2008 (Ian was with the business from 1998 in the role of Finance Director for Scottish Courage Ltd), and Finance & Strategy Director, The Innpreneur Pub Company from 1995 to 1998. Prior to this, he held several roles with Foster's Brewing Group and qualified as a Member of the Institute of Chartered Accountants in England and Wales when with KPMG.

(B) Stephen Bird

Group Chief Executive, British, aged 63, appointed to the Board on 14 April 2009.

Stephen is currently Senior Independent Director of Headlam plc and a member of the English National Ballet's Finance and General Purposes Committee. Previously he was Divisional Managing Director of Weir Oil & Gas. Prior to this he has worked in senior roles at Danaher Corporation, Black & Decker and Technicolor Group, and was also a Non-Executive Director and Senior Independent Director of Dialight plc. Stephen has an MA from St John's College, Cambridge.

(C) Andrea Rigamonti

Group Chief Financial Officer, British and Italian, aged 55, appointed to the Board on 13 December 2022.

Andrea re-joined Videndum from Senior plc in October 2021 in the role of Deputy Group Finance Director, having previously worked with the Company between 2004 and 2015 in the Head Office Finance team, notably as the Group Financial Controller between 2010 and 2015. Prior to Videndum, Andrea was also with Sony UK, and a Financial Analyst with Morgan Stanley. A Chartered Management Accountant, Andrea has an MEng in Engineering, Economics and Management from the University of Oxford.

(D) Anna Vikström Persson

Non-Executive Director, independent, Swedish, aged 53, appointed to the Board on 1 May 2023; member of the Audit, Nominations and Remuneration Committees.

Between 2018 and end of 2021, Anna was Chief Human Resources Officer for Pearson plc, and between 2011 and 2016 Executive Vice President, Head of Human Resources at Sandvik AB. Between 2009 and 2014 Anna was independent Non-Executive Director for Knowit AB, a public listed IT consultancy group in the Nordics and Baltics. Between 2006 and 2011 she was Executive Vice President, Head of Human Resources at SSAB AB and prior to that worked at Ericsson Group AB in various HR roles culminating as Vice President, Human Resources & Organisation, Sweden. Anna was born in South Korea, raised in Sweden and studied in the United States and Germany. Anna holds a Masters in Law from Lund University as well as professional HR qualifications from both London Business School and Michigan Business School.

(E) Caroline Thomson

Non-Executive Director, independent, British, aged 69, appointed to the Board on 1 November 2015; Chair of the Remuneration Committee and a member of the Audit and Nominations Committees.

Caroline is currently a Fellow of the Royal Television Society, and a trustee of the National Gallery Trust and of Tullie House Gallery in Cumbria. She was formerly Executive Director of English National Ballet where she is now a trustee. Until 1 March 2023 Caroline was Chair of Digital UK (now Everyone TV), and a non-executive director of UKGI and Chair of its Remuneration Committee. Until September 2012 Caroline was Chief Operating Officer at the BBC, serving 12 years as a member of the Executive Board. Caroline received an honorary doctorate from York University in 2013 and was made an honorary Fellow of the University of Cumbria in 2015. From 2016 to 2019 she was Chair of Oxfam. Caroline is a Deputy Lieutenant for Cumbria.

(F) Dr Erika Schraner

Non-Executive Director, independent, British, Swiss and American, aged 55, appointed to the Board on 1 May 2022; Chair of the Audit Committee and also a member of the Nominations and Remuneration Committees.

Erika is currently an independent Non-Executive Director of JTC plc and Chair of its Nomination Committee. She is also an independent Non-Executive Director of Bytes Technology plc and as of 1 November 2023, Chair of the Remuneration Committee. Furthermore, Erika is an Independent Non-Executive Director at Pod Point plc and HgCapital Trust plc where she chairs the Management Engagement Committee. She was formerly a Non-Executive Director of Aferian plc where she chaired the Audit Committee. Erika has over 25 years' experience in senior leadership positions, spending nearly two decades in Silicon Valley, focused on technology, M&A, growth strategy and transformation. Erika earned a PhD in Management Science and Engineering at Stanford University and began her executive career with IBM, followed by roles at REL Consultancy Group, Computer Sciences Corporation and Symantec Corporation. During her tenure at Symantec, Erika led M&A in its Sales & Services Division, completing a large number of acquisitions, including the US\$13.5bn merger between Symantec and Veritas. Since then, Erika has further built her transaction experience at Ernst & Young, where as a partner, she led the firm's Operational Transaction Services for the Tech sector in the Americas, and more recently with PwC, where she was the UK Leader for M&A Integration Services and TMT M&A Advisory (DDV) Services.

(G) Graham Oldroyd

Non-Executive Director, independent, British, aged 62, appointed to the Board on 12 October 2023; member of the Audit, Remuneration and Nominations Committees.

Graham is the interim Chairman and a Non-Executive Director of The Global Smaller Companies Trust PLC listed on the London Stock Exchange. He holds director positions in unlisted companies, including as Chair of Ideal Standard International NV, as a nonexecutive director at Tunstall Integrated Healthcare Holdings Ltd, and Chair at MCF Limited. Formerly, Graham was a non-executive director of PHS Group Investments Ltd, Nobina AB and Henderson Alternative Strategies Trust plc (where he was Chair of the Audit Committee from 2014—2020). He was a partner with 23 years' service at European private equity fund manager Bridgepoint until June 2013.

A graduate in Engineering from Cambridge University, Graham also holds an MBA from INSEAD Business School. He is a Chartered Engineer, a Fellow of the Institution of Mechanical Engineers, and a Member of the Chartered Institute for Securities & Investment. He is an Honorary Distinguished Fellow at INSEAD Business School.

(H) Richard Tyson

Non-Executive Director, independent, British, aged 52, appointed to the Board on 2 April 2018; Senior Independent Director and member of the Audit, Nominations and Remuneration Committees.

Richard is currently Chief Executive Officer at Oxford Instruments plc. He was formerly Chief Executive Officer of TT Electronics plc from 2014 to 2023, and President of the Aerospace & Security Division of Cobham plc from 2008 to 2014 and a member of their Executive Committee. He was previously responsible for TRW Aeronautical Systems (formerly part of Lucas Industries) European aftermarket business before joining Cobham plc in 2003 to run its Flight Refuelling Division.

Richard is a fellow of the Royal Aeronautical Society and a Governor of St Swithun's Independent School for Girls in Hampshire.

(I) Stephen Harris

Non-Executive Director and Chairman Designate, independent, British, aged 65, appointed to the Board on 9 November 2023.

Stephen is currently Chief Executive Officer at Bodycote plc. Between 1984 and 1995, Stephen held several senior management positions at APV Inc., following which he was appointed to the Board of Powell Duffryn plc as an Executive Director. He then joined Spectris plc as an Executive Director between 2003 and 2008, and has also been a Non-Executive Director of Brixton plc from 2006 to 2009 and of Mondi plc from 2011 to 2021.

Stephen also holds an MA in Engineering from Cambridge University and an MBA from the University of Chicago Booth School of Business.

Stephen will take over as Chairman from Ian McHoul (who previously announced that he will stand down at Videndum's 2024 annual general meeting) as soon as is practicable and appropriate, and not later than the 2024 annual general meeting.

(J) Teté Soto

Non-Executive Director, independent, Spanish and British, aged 48, appointed to the Board on 24 November 2022; member of the Audit, Nominations and Remuneration Committees.

Teté is Chief Marketing Officer at The Access Group and was formerly Chief Executive Officer of Amigo Technology Limited. Between 2013 and 2021 Teté held several roles at O2 including Transformation Director and Customer Marketing Director and General Manager, Online and Multichannel. Prior to O2, Teté worked at AllSaints as Global eCommerce Director, Dixons Retail and Bain & Company. Teté holds a degree in Law and Business Administration from ICADE and an MBA from INSEAD.

7.2 Senior Managers

The Senior Managers, in addition to the Executive Directors listed above, are as follows:

Name	Position
Marco Pezzana	Group Chief Operating Officer & Divisional CEO, Videndum Media Solutions
Nicola Dal Toso	Divisional CEO, Videndum Production Solutions
Marco Vidali	Divisional CEO, Videndum Creative Solutions
Jon Bolton	Group Company Secretary and HR Director
Jennifer Shaw	Group Communications Director
Fred Fellmeth	Group General Counsel

(A) Marco Pezzana

Group Chief Operating Officer & Divisional Chief Executive, Videndum Media Solutions Division, Italian, appointed February 2023 and November 2011 respectively.

Formerly Managing Director of Manfrotto, Marco has been with the Group since March 2009, and currently holds a dual role. He was promoted to Group Chief Operating Officer in February 2023, and also holds the position of Divisional Chief Executive, Videndum Media Solutions Division. Prior to joining Videndum, Marco held various positions in general management and marketing for consumer goods companies including Newell Rubbermaid, Arc International and Dusholux GmbH, working extensively in the UK, US and France. He holds a degree in Political Science from the University of Milan, with postgraduate studies at Harvard University, London Business School and Bocconi University.

(B) Nicola Dal Toso

Divisional Chief Executive, Videndum Production Solutions Division, Italian, appointed February 2021.

Nicola has been with the Group since March 2015, most recently as Chief Operating Officer in its Media Solutions Division. Prior to this Nicola held various senior management roles in international industrial companies including BDR Thermea, Baxi and Fiamm, working extensively in UK and The Netherlands. Nicola is a Chartered Engineer and with an Industrial Engineering degree from Padua University.

(C) Marco Vidali

Divisional Chief Executive, Videndum Creative Solutions Division, Italian, appointed March 2022.

Marco joined Videndum in January 2014, and most recently worked as Chief Operating Officer in its Creative Solutions Division. Before joining Videndum, Marco held various general management and marketing positions for consumer goods companies, including L'Oreal, Candy-Hoover, and Indesit. He has extensive experience working in Asia-Pacific, the United States and Europe. Marco holds an

Economics degree from the University of Turin, and has undertaken postgraduate studies at Harvard Business School.

(D) Jon Bolton

Group Company Secretary and human resource director, British, appointed October 2008.

Previously Company Secretary of Waste Recycling Group. Prior to this Jon held company secretarial positions at GlaxoSmithKline, where he trained as a company secretary and Cable & Wireless where he was Deputy Company Secretary. He holds a Bachelor of Law degree, a Masters in Legal Practice and is a Fellow of the Institute of Chartered Secretaries and Administrators.

(E) Jennifer Shaw

Group Communications Director, British, appointed July 2016.

Previously held the role of Corporate Marketing & Communications Director at Anite plc for five years. A technology specialist, prior to this Jennifer was Marketing Communications Director at Atcore Technology Ltd, Northgate Information Solutions and Anite Public Sector Ltd. Jennifer also has experience Agency-side working in marketing communications for MCI Group. A fluent Spanish speaker, Jennifer holds a BA in Marketing.

(F) Fred Fellmeth

Group General Counsel, American, appointed August 2012.

Fred has been with the Group since June 2007, most recently as Division General Counsel at Vitec Group RF Systems. Prior to joining Videndum, Fred was General Counsel and Chief Operating Officer at Total RF Inc., a provider of broadcast auxiliary services for 8 years.

Fred holds a BA in Political Science from the Pennsylvania State University, a JD from the Duquesne University School of Law with postgraduate legal studies through the University of London.

7.3 Directorships and partnerships outside the Group

The details of those companies and partnerships outside the Group of which the Directors and Senior Managers are currently directors or partners, or have been directors or partners at any time during the five (5) years prior to the publication of this document, are as follows:

Name	Current directorships and partnerships	Previous directorships and partnership
Directors		
Ian McHoul	Bellway plc—Non-Executive Director and Chairman of the Audit Committee Young & Co's Brewery plc—Non-Executive Director and Chairman of the Audit Committee	Britvic plc—Non-Executive Director, Senior Independent Director and Chair of the Audit Committee
Stephen Bird	Headlam plc—Senior Independent Director and Non-Executive Director	Dialight plc—Non-Executive Director and Senior Independent Director
Andrea Rigamonti	—	—
Anna Vikström Persson . .	Snow Investment AB—Board Alternate	Pearson plc—Chief Human Resources Officer Placed AB—Chair
Caroline Thomson	English National Ballet—Trustee The National Gallery Trust—Trustee Tullie House Museum & Art Gallery Trust—Trustee	Everyone TV Limited—Chair UK Government Investments Limited—Non-Executive Director and Chair of Remuneration Committee Oxfam—Chair
Dr Erika Schraner	JTC plc—Independent Non-Executive Director and Chair of Nomination Committee Bytes Technology plc—Independent Non-Executive Director and Chair of the Remuneration Committee (as of 1 November 2023)	Aferian plc—Independent Non-Executive Director and Chair of the Audit Committee

Name	Current directorships and partnerships	Previous directorships and partnership
	Pod Point plc—Independent Non-Executive Director	
	HGCapital Trust plc—Independent Non-Executive Director and Chairman of Management Engagement Committee	
Graham Oldroyd	The Global Smaller Companies Trust PLC—Interim Chairman and Non-Executive Director	Nobina AB—Non-Executive Director
	Ideal Standard International NV—Chair	Henderson Alternative Strategies Trust plc ⁴ —Non-Executive Director and Chairman of the Audit Committee
	Tunstall Integrated Healthcare Holdings Ltd—Non-Executive Director	PHS Group Investments Ltd—Non-Executive Director
	MCF Limited—Chair	
	Oldroyd Independent Advisory Services—Founder	
Richard Tyson	Oxford Instruments plc—Chief Executive Officer	TT Electronics plc—Chief Executive Officer
Stephen Harris	Bodycote plc—Chief Executive Officer	Powell Duffryn plc—Executive Director
		Spectris plc—Executive Director
		Brixton plc—Non-Executive Director
		Mondi plc—Non-Executive Director
Teté Soto	The Access Group—Chief Marketing Officer ⁵	Amigo Technology Limited—Chief Executive Officer
Senior Managers		
Marco Pezzana	—	—
Nicola Dal Toso	—	—
Marco Vidali	—	—
Jon Bolton	—	—
Jennifer Shaw	—	—
Fred Fellmeth	—	—

7.4 Conflicts of interest

Save for their capacities as persons legally and beneficially interested in Ordinary Shares (including, as applicable, by way of the Shares Plans), there are:

- (A) no actual or potential conflicts of interest between the duties owed by the Directors or the Senior Managers to the Company and their private interests and/or other duties that they may also have; and
- (B) no arrangements or understandings with major Shareholders, customers, suppliers or others, pursuant to which any Director or Senior Manager was selected.

Each of the Directors has a statutory duty under the Companies Act to avoid conflicts of interests with the Company and to disclose the nature and extent of any such interest to the Board. Under the Articles of Association and, as permitted by the Companies Act, the Board may authorise any matter which would otherwise involve a Director breaching this duty to avoid conflicts of interest and may attach to any such authorisation such conditions and/ or restrictions as the Board deems appropriate (including in respect of the receipt of information or restrictions on participation at certain Board meetings), in accordance with the Articles of Association.

7.5 Directors' and Senior Managers' confirmations

- (A) As at the date of this document, no Director or Senior Manager has during the last five (5) years:
 - (i) had any convictions in relation to fraudulent offences;
 - (ii) been associated with any bankruptcy, receivership, liquidation or companies put into administration while acting in the capacity of a member of the administrative, management or supervisory body or of a senior manager of any company, save as disclosed in the table above at section 7.3;

⁴ Graham Oldroyd was previously a director of Henderson Alternative Strategies Trust plc, which was placed into members' voluntary liquidation in November 2020.

⁵ Teté Soto is not a director, however is a member of the Executive Committee of The Access Group.

- (iii) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including any designated professional body); or
 - (iv) been disqualified by a court from acting as a member of the administrative, management or supervisory body of a company or from acting in the management or conduct of the affairs of any company.
- (B) No Director or Senior Manager was selected to act in such capacity pursuant to any arrangement or understanding with any shareholder, consumer, supplier or any other person having a business connection with the Group.
- (C) There are no family relationships between any of the Directors and/or the Senior Managers.
- (D) There are no outstanding loans or guarantees granted or provided by any member of the Group for the benefit of any of the Directors or Senior Managers.

8. FRUSTRATING ACTIONS

The Company is subject to the UK Code on Takeovers and Mergers (the “City Code”). Other than as provided by the City Code and Chapter 3 of Part 28 of the Companies Act, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules relating to the Ordinary Shares.

9. RELATED PARTY TRANSACTIONS

The Group has entered into the following Related Party Transactions between 30 June 2023 and the Latest Practicable Date.

Transactions with key management personnel charged to the income statement

<u>Number of individuals</u>	<u>12</u>
	<u>£m</u>
Salaries	1.1
Employers' social security costs	0.1
Performance-related bonuses	0.1
Share-based payment charge ¹	0.5
Other short-term employee benefits	0.1
Employers' pension costs—defined contribution schemes	<u>0.1</u>
Total	<u>2.0</u>

Note 1: IFRS 2 charge recognised in the income statement for share-based payment transactions with key management personnel.

10. MATERIAL CONTRACTS

The contracts listed below have been entered into by the Company or another member of the Group: (i) within the two years immediately preceding publication of this document which are material to the Company or any member of the Group, or (ii) at any time and contain any provision under which the Company or any member of the Group has any obligation or entitlement which is material to the Company or any member of the Group as at the date of this document, in each case not including contracts entered into in the ordinary course of business.

10.1 Placing Agreement

On 20 November 2023, the Company, the Sponsor and the Joint Bookrunners entered into the Placing Agreement pursuant to which the Company appointed Jefferies and Investec as Joint Global Co-ordinators and Bookrunners in connection with the Capital Raising, and Rothschild & Co as Sponsor in connection with Admission. Subject to the terms and conditions of the Placing Agreement, the Joint Bookrunners have severally agreed to use reasonable endeavours to procure placees for the New Ordinary Shares at the Offer Price (to the extent not already procured prior to the date of Placing Agreement). To the extent that any Placee (as defined in the Placing Agreement) procured by the Joint Bookrunners fails to subscribe for any or all of the Firm Placing Shares and/or Placing Shares which have been allocated to it, or for Placing Shares for which no Placee has been procured, subject

to certain conditions, each of the Joint Bookrunners shall severally subscribe or procure subscribers for the Firm Placing Shares and/or the Placing Shares at the Offer Price.

In consideration for their services under the Placing Agreement, and subject to their obligations under the Placing Agreement having become unconditional and the Placing Agreement not having been terminated, the Company has agreed to pay the Joint Bookrunners an aggregate commission of 2.42 per cent. of the amount equal to the product of the Offer Price and the number of New Ordinary Shares. The Company has also agreed, regardless of whether the Joint Bookrunners' obligations under the Placing Agreement become unconditional or the Placing Agreement is terminated, that the Company shall pay all costs and expenses properly incurred in connection with, or incidental to, the Capital Raising, and the fees, disbursements and expenses of the Sponsor and the Joint Bookrunners' legal counsel in connection with the Capital Raising, Admission and the arrangements contemplated by the Placing Agreement (subject to certain caps).

The Company has given certain customary undertakings, representations and warranties to the Joint Bookrunners in relation to the issue and/or sale of Ordinary Shares, including a 180 day lock-up on issues of new shares, and in relation to other matters relating to the Group and its business. In addition, the Company has given customary indemnities to the Joint Bookrunners and certain indemnified persons connected with each of them.

The obligations of the Joint Bookrunners under the Placing Agreement in relation to the Capital Raising are subject to certain customary conditions including, amongst others, no material breach of warranty contained in the Placing Agreement and Admission becoming effective by 8:00 a.m. on 8 December 2023 or such later time and/or date as the Company and the Joint Bookrunners may agree.

If any of the conditions to the Placing Agreement are not satisfied (or waived by the Joint Bookrunners) or have become incapable of being satisfied by the required time and/or date, each of the Joint Bookrunners may terminate the Placing Agreement in certain circumstances, but only prior to Admission.

10.2 Financing Arrangements

(A) The Revolving Credit Facility

The Company entered into the Revolving Credit Facility between, among others, (i) the Company, Videndum Group US Holdings, Inc. and Videndum Italia S.p.A. (as the original borrowers); (ii) certain subsidiaries of the Company as original guarantors, certain financial institutions as the original lenders; and (iii) Citibank Europe plc, UK Branch as agent, dated 5 July 2016, as amended and/or restated from time to time, including by way of an amendment and restatement agreement dated 12 November 2021, an amendment letter dated 3 August 2023, and an amendment letter dated 25 September 2023, and an amendment letter dated 10 November 2023.

Under the terms of the Revolving Credit Facility, the lenders have made available to the Company a multi-currency revolving credit facility in an aggregate amount of £200,000,000, with a maturity date of 14 February 2025 (subject to an extension request). The Revolving Credit Facility was put in place to provide the Group with access to funding for general corporate purposes.

The Revolving Credit Facility is unsecured but is otherwise guaranteed by the guarantors listed in Schedule 1 of the Revolving Credit Facility including, among others, the original borrowers, and subject to the Agreed Guarantee Principles. The Revolving Credit Facility is available for drawing in sterling, euros, US dollars, Japanese yen or other currency that is readily available and can be converted into sterling.

The Revolving Credit Facility contains customary representations, undertakings, covenants, indemnities with appropriate carve-outs and materiality thresholds, where relevant. The Revolving Credit Facility contains certain events of default customary for facilities of this nature, including non-payment, breach of other obligations, misrepresentation, cross-default, insolvency, insolvency proceedings, creditors' process, change of control, unlawfulness, repudiation, material adverse change and non-compliance of pension plans.

Under the terms of the Revolving Credit Facility the Group is subject to financial covenants in respect of its ratio of EBITA to Consolidated Net Interest Charges for each 12-month period: (A) ending 31 December 2023, being 2.0:1; (B) ending 31 March 2024, being 2.0 to 1; (C) ending 30 June 2024.

being 3.25:1; (D) ending 30 September 2024, being 3.25 to 1; and (E) on 31 December 2024 and at each date falling six months thereafter, being 4.0 to 1. Additionally, the Group is subject to Financial Debt Covenants in respect of its ratio of Consolidated Net Borrowings to EBITDA for the 12-month period: (A) ending 31 December 2023, being 5.75 to 1; (B) ending 31 March 2024, being 4.25:1; (C) ending 30 June 2024 and 30 September 2024, being 3.75:1; and (D) ending 31 December 2024 and at each date falling six months thereafter, being 3.25:1. However, if the proposed Capital Raising has launched on or before 30 November 2023, then the Group shall instead from the date of the launch be subject to Financial Debt Covenants in respect of its ratio of EBITA to Consolidated Net Interest Charges for each 12-month period: (A) ending 31 December 2023, being 1.25:1; (B) ending 31 March 2024, being 1.50 to 1; (C) ending 30 June 2024, being 1.75:1; (D) ending 30 September 2024, being 3.25 to 1; and (E) on 31 December 2024 and at each date falling six months thereafter, being 4.0 to 1. Additionally, the Group shall be subject to Financial Debt Covenants in respect of its ratio of Consolidated Net Borrowings to EBITDA for the 12-month period: (A) ending 31 December 2023, being 4.25 to 1; (B) ending 31 March 2024, being 4.25:1; (C) ending 30 June 2024 and 30 September 2024, being 3.75:1; and (D) ending 31 December 2024 and at each date falling six months thereafter, being 3.25:1.

The Revolving Credit Facility may be prepaid without a premium of penalty subject to a maximum of four voluntary prepayments per annum unless the prepayment is to prepay all loans in full. Where a prepayment will reduce the base currency amount of a loan, the prepayment must do so by a minimum amount of £2,000,000.

The interest rate under the Revolving Credit Facility is equal to the aggregate of an appropriate benchmark rate meaning LIBOR and the applicable margin. The initial margin is 1.25 per cent per annum, which is subject to adjustment in accordance with the ratio of Consolidated Net Borrowings to EBITDA. The following margin adjustments are to be relied upon: (A) where the ratio is greater than 3.75:1, there will be a margin of 3.15 per cent per annum; (B) where the ratio is greater than 3.25:1 but less than or equal to 3.75:1, there will be a margin of 2.70 per cent per annum; (C) where there is a ratio of greater than 2.75:1 but less than or equal to 3.25:1, there will be a margin of 2.25 per cent per annum; (D) where the ratio is greater than 2.25:1 but less than or equal to 2.75:1, there will be a margin of 1.80 per cent per annum; (E) where there is a ratio of greater than 1.75:1 but less than or equal to 2.25:1, there will be a margin of 1.55 per cent per annum; (F) where there is a ratio of greater than 1.50:1 but less than or equal to 1.75:1, there will be a margin of 1.30 per cent per annum; (G) where there is a ratio of greater than 1:25 but less than or equal to 1.50:1, there will be a margin of 1.175 per cent per annum; and (H) where there is a ratio of less than or equal to 1:25, there will be a margin of 1.05 per cent per annum.

Certain fees are payable to the agent in connection with the Revolving Credit Facility, including commitment fees, arrangement fees and an agency fee. The Revolving Credit Facility is governed by the laws of England and Wales.

As at the Latest Practicable Date, the Group has drawn £176.0 million under the Revolving Credit Facility Agreement.

(B) Savage Term Loan

Under the terms of the Savage Term Loan, the lenders have made available to the Company a US Dollars term facility in an aggregate amount of US\$53,000,000. This matures on 15 November 2024.

The Savage Term Loan is to be applied for the payment of both (i) the purchase price of the equity in Savage Universal, LLC and the equity in Superior Paper Specialties, LLC (the “**Savage Transaction**”) and (ii) the payment of acquisition costs as incurred in relation to the Savage Transaction to Savage Universal Holdings, Inc. and Hayward Richard Pressman, Sylvester Hank, Richard Reiser and Richard Memoli.

The Savage Term Loan is unsecured but is otherwise guaranteed by the guarantors listed in Part I of Schedule 1 of the Savage Term Loan (the original guarantors) and subject to the Agreed Guarantee Principles. The Savage Term Loan is available for drawing in US dollars.

The Savage Term Loan contains customary representations, undertakings, covenants, indemnities with appropriate carve-outs and materiality thresholds, where relevant. The Savage Term Loan contains certain events of default customary for facilities of this nature, including non-payment, breach of other obligations, misrepresentation, cross-default, insolvency, insolvency proceedings, creditors’

process, change of control, unlawfulness, repudiation, material adverse change and non-compliance of pension plans.

Under the terms of the Savage Term Loan the Group is subject to financial covenants in respect of its ratio of EBITA to Consolidated Net Interest Charges for each 12-month period: (A) ending 31 December 2023, being 2.0:1; (B) ending 31 March 2024, being 2.0 to 1; (C) ending 30 June 2024, being 3.25:1; (D) ending 30 September 2024, being 3.25 to 1; and (E) on 31 December 2024 and at each date falling six months thereafter, being 4.0 to 1.

Additionally, the Group is subject to Financial Debt Covenants in respect of its ratio of Consolidated Net Borrowings to EBITDA for the 12-month period: (A) ending 31 December 2023, being 5.75 to 1; (B) ending 31 March 2024, being 4.25:1; (C) ending 30 June 2024 and 30 September 2024, being 3.75:1; and (D) ending 31 December 2024 and at each date falling six months thereafter, being 3.25:1. However, if the proposed Capital Raising has launched on or before 30 November 2023, then the Group shall instead from the date of the launch be subject to Financial Debt Covenants in respect of its ratio of EBITA to Consolidated Net Interest Charges for each 12-month period: (A) ending 31 December 2023, being 1.25:1; (B) ending 31 March 2024, being 1.50 to 1; (C) ending 30 June 2024, being 1.75:1; (D) ending 30 September 2024, being 3.25 to 1; and (E) on 31 December 2024 and at each date falling six months thereafter, being 4.0 to 1. Additionally, in such circumstances, the ratio of Consolidated Net Borrowings to EBITDA for the 12-month period ending 31 December 2023 shall be 4.25:1.

The Savage Term Loan may be prepaid without a premium of penalty subject to a maximum of four voluntary prepayments per annum unless the prepayment is to prepay all loans in full. Where a prepayment will reduce the base currency amount of a loan the prepayment must do so by a minimum amount of US\$2,000,000.

The interest rate under the Savage Term Loan is equal to the aggregate of an appropriate benchmark rate meaning and the applicable margin meaning SOFR. The initial margin is 1.95 per cent per annum, which is subject to adjustment in accordance with the ratio of Consolidated Net Borrowings to EBITDA. The following margin adjustments are to be relied upon: (A) where the ratio is greater than 3.75:1, there will be a margin of 3.55 per cent per annum; (B) where the ratio is greater than 3.25:1 but less than or equal to 3.75:1, there will be a margin of 3.10 per cent per annum; (C) where the ratio is greater than 2.75:1 but less than or equal to 3.25:1, there will be a margin of 2.65 per cent per annum; (D) where the ratio is greater than 2.25:1 but less than or equal to 2.75:1, there will be a margin of 2.20 per cent per annum; (E) where the ratio is greater than 1.75:1 but less than or equal to 2.25:1, there will be a margin of 1.95; (F) where the ratio is greater than 1.50:1 but less than or equal to 1.75:1, there will be a margin of 1.70 per cent per annum; (G) where the ratio is greater than 1:25 but less than or equal to 1.50:1, there will be a margin of 1.575 per annum; and (H) where the ratio is less than or equal to 1:25, there will be a margin of 1.45 per cent per annum.

Certain fees are payable to the agent in connection with the Savage Term Loan, including commitment fees, arrangement fees and an agency fee. The Savage Term Loan is governed by the laws of England and Wales.

As at the Latest Practicable Date, the Group has drawn \$29 million (£23 million) under the Savage Term Loan.

(C) Audix Term Loan

Under the terms of the Audix Term Loan, the lenders have made available to the Company a US Dollars term facility in an aggregate amount of US\$47,000,000. This matures on 7 January 2025.

The Audix Term Loan is to be applied for the payment of both (i) the purchase price of the equity in Audix, LLC (the “**Audix Transaction**”) and (ii) the payment of acquisition costs as incurred in relation to the Audix Transaction to Alanis Holdings Company.

The Audix Term Loan is unsecured but is otherwise guaranteed by the guarantors listed in Part I of Schedule 1 of the Audix Term Loan (the original guarantors) and subject to the Agreed Guarantee Principles. The Audix Term Loan is available for drawing in US dollars.

The Audix Term Loan contains customary representations, undertakings, covenants, indemnities with appropriate carve-outs and materiality thresholds, where relevant. The Audix Term Loan contains certain events of default customary for facilities of this nature, including non-payment, breach of other

obligations, misrepresentation, cross-default, insolvency, insolvency proceedings, creditors' process, change of control, unlawfulness, repudiation, material adverse change and non-compliance of pension plans.

Under the terms of the Audix Term Loan the Group is subject to financial covenants in respect of its ratio of EBITA to Consolidated Net Interest Charges for each 12-month period: (A) ending 31 December 2023, being 2.0:1; (B) ending 31 March 2024, being 2.0 to 1; (C) ending 30 June 2024, being 3.25:1; (D) ending 30 September 2024, being 3.25 to 1; and (E) on 31 December 2024 and at each date falling six months thereafter, being 4.0 to 1. Additionally, the Group is subject to Financial Debt Covenants in respect of its ratio of Consolidated Net Borrowings to EBITDA for the 12-month period: (A) ending 31 December 2023, being 5.75 to 1; (B) ending 31 March 2024, being 4.25:1; (C) ending 30 June 2024 and 30 September 2024, being 3.75:1; and (D) ending 31 December 2024 and at each date falling six months thereafter, being 3.25:1.

However, if the proposed Capital Raising has launched on or before 30 November 2023, then the Group shall instead from the date of the launch be subject to Financial Debt Covenants in respect of its ratio of EBITA to Consolidated Net Interest Charges for each 12-month period: (A) ending 31 December 2023, being 1.25:1; (B) ending 31 March 2024, being 1.50 to 1; (C) ending 30 June 2024, being 1.75:1; (D) ending 30 September 2024, being 3.25 to 1; and (E) on 31 December 2024 and at each date falling six months thereafter, being 4.0 to 1. Additionally, in such circumstances, the ratio of Consolidated Net Borrowings to EBITDA for the 12-month period ending 31 December 2023 shall be 4.25:1.

Under the terms of the Audix Term Loan, the Group is subject to financial covenants in respect of its ratio of Consolidated Net Borrowings to EBITDA for the 12-month period: (A) ending 31 December 2023, being 5.75 to 1; (B) ending 31 March 2024, being 4.25:1; (C) ending 30 June 2024 and 30 September 2024, being 3.75:1; and (D) ending 31 December 2024 and at each date falling six months thereafter, being 3.25:1. However, if the proposed issuance of equity by the Company has completed by 31 December 2023 and in respect of which proceeds (net of fees, costs and expenses) have been received by or paid to the order of the Company in an amount of not less than £90 million, then the ratio of Consolidated Net Borrowings to EBITDA for the 12-month period ending 31 December 2023 shall be 4.25:1.

The Audix Term Loan may be prepaid without a premium of penalty subject to a maximum of four voluntary prepayments per annum unless the prepayment is to prepay all loans in full. Where a prepayment will reduce the base currency amount of a loan the prepayment must do so by a minimum amount of US\$2,000,000.

The interest rate under the Audix Term Loan is equal to the aggregate of an appropriate benchmark rate meaning and the applicable margin meaning SOFR. The initial margin is 1.95 per cent per annum, which is subject to adjustment in accordance with the ratio of Consolidated Net Borrowings to EBITDA with the following effect: (A) where the ratio is greater than 3.75:1, there will be a margin of 3.55 per cent per annum; (B) where the ratio is greater than 3.25:1 but less than or equal to 3.75:1, there will be a margin of 3.10 per cent per annum; (C) where the ratio is greater than 2.75:1 but less than or equal to 3.25:1, there will be a margin of 2.65 per cent per annum; (D) where the ratio is greater than 2.25:1 but less than or equal to 2.75:1, there will be a margin of 2.20 per cent per annum; (E) where the ratio is greater than 1.75:1 but less than or equal to 2.25:1, there will be a margin of 1.95; (F) where the ratio is greater than 1.50:1 but less than or equal to 1.75:1, there will be a margin of 1.70 per cent per annum; (G) where the ratio is greater than 1:25 but less than or equal to 1.50:1, there will be a margin of 1.575 per annum; and (H) where the ratio is less than or equal to 1:25, there will be a margin of 1.45 per cent per annum.

Certain fees are payable to the agent in connection with the Audix Term Loan, including commitment fees, arrangement fees and an agency fee. The Audix Term Loan is governed by the laws of England and Wales.

As at the Latest Practicable Date, the Group has drawn \$26 million (£21 million) under the Audix Term Loan.

(D) Italian government loan

Under the terms of an Italian government loan the Italian government has made available to the Videndum Media Solutions S.p.A., a member of the Group, a Euro term facility in an aggregate amount of €700,000 (the “**Italian Government Loan**”). This matures on 31 December 2027.

The interest rate under the Italian Government Loan is calculated on the principal at six monthly intervals beginning 30 June 2021 at a rate of 0.065 percent per annum. The principal due under the Italian Government Loan is repaid in eight instalments of €87,500 payable at six monthly intervals beginning 30 June 2021.

(E) Forward foreign exchange contract

Under the terms of a forward foreign exchange contract dated 20 November 2023, the Company has agreed to exchange £44.0 million for US\$55 million at a fixed rate of 1.2503. The Company is required to settle the forward by 11 December 2023.

10.3 Audix Membership Interest Purchase Agreement

On 11 January 2022, the Group completed the acquisition of the entire issued share capital of Audix LLC (“**Audix**”), pursuant to a membership interest purchase agreement between Vitec Group US Holdings, Inc., Audix, Alanis Holdings Company, KFB LLC, Lucinda Bigeh, Fred Bigeh dated 11 January 2022. The Group agreed to acquire Audix for up to US\$54.3 million in cash, including a deferred payment of US\$2.0 million, a holdback payment of US\$3.1 million, transaction and financing costs. The deferred and holdback payments were made in 2023. The agreement is governed by the laws of the State of Delaware.

10.4 Savage Equity Purchase Agreement

On 22 November 2021, the Group completed the acquisition of the entire issued share capital of Savage Universal Corp. and Superior Paper Specialties, LLC (“**Savage**”), pursuant to an equity purchase agreement between Vitec Group US Holdings, Inc., Savage, Hayward Richard Pressman, Richard Reiser, Henry Coy-Burt, Jennifer Pressman Pinetti, Cathy Aguirre, Sylvester Hank and Richard Memoli dated 15 November 2021. The Group agreed to acquire Savage for US\$57.3 million in cash, including a retention payment of US\$1.5 million, transaction and financing costs. The Group made a retention payment of US\$750,000 in January 2023, with the remaining US\$750,000 payable in December 2023. The retention payments are subject to continued employment of a key employee. The agreement is governed by the laws of the State of Delaware.

10.5 Quasar Asset Purchase Agreement

On 5 April 2021, the Group completed the acquisition of the trade and net assets of Quasar Science LLC pursuant to an asset purchase agreement with Quasar Science LLC, a Delaware limited liability company, Quasar Science LLC, a California limited liability company, Steven Strong, Evans Brown, Raymond Gonzales, Jay Yowler and Andy Lau. The Group agreed to acquire Quasar for up to US\$6.1 million consideration payable in cash, including a contingent consideration of up to US\$2.75 million and a retention payment of up to US\$1.0 million. The Group does not expect any payments for the contingent consideration to be made, as the relevant earnout thresholds were not met in 2021 and 2022, and is unlikely to be met in 2023. The Group made retention payments of US\$250,000 each in April 2022 and April 2023, with the remaining US\$500,000 payable in April 2024. The retention payments are subject to continued employment of key employees. The agreement is governed by the laws of the State of California.

10.6 Lightstream arrangements

On 12 April 2021, the Group completed the acquisition of the entire issued share capital of Infiniscene Inc. pursuant to an agreement and plan of merger with Infiniscene Inc. (“**Lightstream**”) and Shareholder Representative Services LLC. The Group agreed to acquire Lightstream for an expected total cost of US\$35.9 million in cash and shares, including a retention payment of US\$9.0 million and a deferred payment of US\$5.0 million. The deferred payment was made in 2021 and the retention payments were made in 2022 and completed in 2023. The retention payments comprise one-third in cash and two-thirds in Videndum ordinary shares. The retention payments are subject to continued employment of key employees, and as a result of the disposal (as described

below), such retention payments have been accelerated. The agreement is governed by the laws of the State of Delaware.

On 2 October 2023, the Group completed the disposal of certain trade and assets of Lightstream for a consideration of US\$500,000 in cash, pursuant to an asset purchase agreement with Lightstream and Xsolla (USA), Inc. The aggregate liability cap of the Group under the agreement is US\$500,000, excluding claims of fraud or any losses arising out of the defence of any patent rights infringement claims brought by a third party. The Group is only liable for losses which are related to or have arisen during the Group's operation and ownership of the business. The agreement is governed by the laws of the State of Delaware.

11. REGULATORY DISCLOSURES

Below is a summary of the information disclosed in accordance with the Company's obligations under MAR over the last 12 months which is relevant as at the date of this document.

- (A) On 9 November 2023, the Company announced that it had appointed Stephen Harris to the Board of the Company as a Non-Executive Director with immediate effect. It was also announced that Stephen Harris will succeed Ian McHoul as Chairman as soon as is practicable and appropriate, and not later than the 2024 annual general meeting .
- (B) On 12 October 2023, the Company announced that it had appointed Graham Oldroyd to the Board of the Company as a Non-Executive Director with effect from 12 October 2023. It was further noted that Graham Oldroyd will also be a member of the Audit, Remuneration and Nominations Committees.
- (C) On 26 September 2023, the Company announced its interim results for the six-month period ended 30 June 2023. The Board also announced that Ian McHoul, Chair, had informed the Board of his intention not to seek re-election at the Company's 2024 annual general meeting for personal reasons. This contained the 2023 Half Year Results, which are incorporated by reference into this document.
- (D) On 25 September 2023, the Company announced a revised date for publication of its results for the half year ended 30 June 2023. The Company announced that it will announce its results on 26 September 2023.
- (E) On 8 August 2023, the Company announced that the release of its results for the six-month period ended 30 June 2023, due on 10 August 2023, has been delayed because more time is required to finalise its half year financial reporting and that the Company expects the 2023 Half Year Results to be released during September. The Company stated that the financial performance for the six-month period ended 30 June 2023 has been significantly impacted by ongoing macroeconomic headwinds, the effects of destocking and compounded by the US writers' strike. The Company announced that the Board's expectations for the first half of 2023 are broadly unchanged and that they had agreed covenant amendments for December 2023 and for June 2024.
- (F) On 2 May 2023, the Company gave an update regarding the potential impact of the US' writers' strike, combined with the current macroeconomic conditions, on the Group's financial year 2023 performance. The Company announced that there is likely to be a further increase in the second half weighting to the Group's financial year 2023 performance as a result of the US writers' strike. It was stated that if there is a prolonged writers' strike, the Board believes that the Group's financial year 2023 performance will be below previous expectations. The Company also announced that the Group was performing well in some regions and segments and that the Company has successfully implemented self-help actions across the Group.
- (G) On 22 March 2023, the Company published the 2022 Annual Report and Accounts along with a notice of 2023 Annual General Meeting.
- (H) On 28 February 2023, the Company announced its audited results for the year ended 31 December 2022. This contained a summary of the Group's financial and operating performance. The Company announced that the Group achieved record revenue and adjusted profit before tax despite some significant headwinds, including weakening consumer confidence as the year progressed. It was announced that net debt at 31 December 2022 was £48.3 million

higher than at 31 December 2021 (£145.2 million) and £0.6 million lower than at 30 June 2022 (£194.1 million).

- (I) On 14 December 2022, the Company announced that it had appointed Andrea Rigamonti to the Board as Group Chief Financial Officer with immediate effect. Martin Green stepped down as Group Finance Director and therefore ceased to be a member of the Board with immediate effect. The Company also announced that it had appointed Anna Vikström Persson as a Non-Executive Director, who would join the Board and become a member of the Audit, Remuneration and Nomination Committees with effect from 1 May 2023.
- (J) On 24 November 2022, the Company gave a trading update for the four months ended 31 October 2022. The Company announced that the Board's expectations for adjusted profit before tax for the year ending 31 December 2022 remain unchanged despite the impact of weaker consumer spending and the uncertainty of the current macro-economic environment. The Company also announced that it had appointed Teté Soto as a Non-Executive Director, who would join the Board and become a member of the Audit, Remuneration and Nominations Committees with effect from 24 November 2022. The Company also announced that the Group intends to reorganise the Creative Solutions division sales and marketing teams into specialist vertical segments to, among other things, maximise the division's growth potential.

12. LITIGATION

Other than as set out below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at least the twelve (12) months preceding the date of this document which may have, or have had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability.

12.1 Godox Photo Equipment Co., Ltd.

On 16 March 2022, Litepanels Ltd., a subsidiary of the Group, filed a complaint with the US District Court for the Eastern District of Texas against Godox Photo Equipment Co., Ltd. in a lawsuit captioned as Litepanels, Ltd. v. Godox Photo Equipment Co., Ltd. The complaint alleges that the sale and/or importation of certain LED lighting devices and related products in the United States by the defendant, Godox, have infringed one or more patents owned by Litepanels. Litepanels is claiming damages in an unspecified amount. The complaint was moved to the Southern District of Ohio in August 2022, and consolidated into another action filed by Litepanels in the same court captioned Litepanels, Ltd. v. Bill & Mike's Photo, Inc. et al in October 2022. The Court entered a default judgment on liability in favor of Litepanels and against Godox in June 2023 and Litepanels is presently engaged in discovery preparatory to moving the Court for the imposition of damages.

12.2 Rotolight Limited

On 12 July 2022, Rotolight Limited filed a complaint with the US District Court for Delaware against Videndum plc and Videndum Production Solutions, Inc. in a lawsuit captioned as Rotolight Limited v. Videndum plc and Videndum Production Solutions, Inc. (a subsidiary of the Group). The complaint alleges that the manufacture, sale, importation and distribution of certain lighting products and services by the defendants have infringed one or more patents owned by Rotolight. Rotolight is claiming damages in an unspecified amount and seeking injunctive relief against the defendants. Videndum has challenged the patents in the United States Patent Office, filing three "Inter Partes Reviews". The complaint is currently scheduled to be heard by the court in June 2025.

13. WORKING CAPITAL

In the opinion of the Company, taking into account the net proceeds of the Capital Raising (being approximately £116.7 million), the working capital available to the Group is sufficient for its present requirements (that is, for at least 12 months following the date of this document).

14. NO SIGNIFICANT CHANGE

There has been no significant change in the financial position or financial performance of the Group in the period since 30 June 2023 to the date of publication of this document, save for the impact of the US Writers' and Actors' Strikes, as described in section 1.2 of Part I (*Risk Factors*), paragraph 4 of

Part V (*Letter from the Chair of Videndum plc*) and section 2 of Part VIII (*Business And Market Overview*).

15. EXPENSES

The total costs and expenses payable by the Company in connection with the Capital Raising (including the listing fees of the FCA and the London Stock Exchange, professional fees and expenses and the costs of printing and distribution of documents) are estimated to amount to approximately £8.4 million (excluding VAT).

16. AUDITOR

The independent auditor of the Company since 15 May 2018 has been Deloitte LLP of 1 New St Square, London EC4A 3HQ. Deloitte LLP is registered to carry out audit work in the United Kingdom and Ireland by the Institute of Chartered Accountants in England and Wales.

The Group announced in its 2023 Half Year Results that it will appoint PricewaterhouseCoopers LLP as the Company's independent auditor for the financial year ending 31 December 2024, subject to approval by shareholders at the next Annual General Meeting of the Company to be held in 2024.

17. CONSENTS

- (A) The Sponsor and each of the Joint Bookrunners has given and not withdrawn their consent to the inclusion in this document of their name in the form and in the context in which they appear.
- (B) Deloitte LLP of 1 New St Square, London EC4A 3HQ has given and not withdrawn its written consent to the inclusion in this document of the report set out in Part B of Part XI (*Unaudited Pro Forma Financial Information*) and has authorised the contents of its report for the purposes of item 5.3.2R(2)(f) of the Prospectus Regulation Rules. As the Shares have not been and will not be registered under the US Securities Act, Deloitte LLP has not filed and will not file a consent under the US Securities Act.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected on the Company's website at www.Videndum.com for a period of twelve (12) months from the date of publication of this document:

- the Articles of Association;
- the documents incorporated by reference into this document, as described in Part XIV (*Documents incorporated by reference*);
- the consent letters referred to in Section 17 (*Consents*) of Part XIII (*Additional Information*); and
- a copy of this document.

For the purposes of Rule 3.2 of the Prospectus Regulation Rules, this document will be published in printed form and available free of charge, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) for a period of 12 months following Admission at the Company's registered office, being Bridge House, Heron Square, Richmond, United Kingdom, TW9 1EN. In addition, the document will be published in electronic form and be available on the Company's website at www.Videndum.com.

PART XIV
DOCUMENTS INCORPORATED BY REFERENCE

The table below sets out the documents of which certain parts are incorporated by reference into, and form part of, this document. Only the parts of the documents identified in the table below are incorporated into, and form part of, this document. The parts of these documents which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this document. To the extent that any information incorporated by reference itself incorporates any information by reference, either expressly or by implication, such information will not form part of this document for the purposes of the Prospectus Regulation Rules, except where such information is stated within this document as specifically being incorporated by reference or where the document is specifically defined as including such information.

Any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained herein (or in a later document which is incorporated by reference herein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

1. INFORMATION INCORPORATED BY REFERENCE FROM THE COMPANY'S 2023 HALF YEAR RESULTS

The following pages are incorporated by reference from the Company's 2023 Half Year Results:

<u>Document information incorporated by reference</u>	<u>Pages</u>
Independent Auditor's interim review report	18-19
Condensed consolidated income statement	20-21
Consolidated statement of comprehensive income	21
Consolidated statement of changes in equity	24
Condensed consolidated balance sheet	22-23
Condensed consolidated statement of cash flows	25-26
Notes to the consolidated financial statements	26-52

The Company's 2023 Half Year Results can be accessed at: <https://videndum.com/investors/results-reports-and-presentations/>

2. INFORMATION INCORPORATED BY REFERENCE FROM THE COMPANY'S 2022 ANNUAL REPORT AND ACCOUNTS

The following pages are incorporated by reference from the Company's 2022 Annual Report and Accounts:

<u>Document information incorporated by reference</u>	<u>Pages</u>
Independent Auditor's report	163-169
Consolidated income statement	171
Consolidated statement of comprehensive income	172
Consolidated statement of changes in equity	174
Consolidated balance sheet	173
Consolidated statement of cash flows	175
Notes to the consolidated financial statements	176-215

The Company's 2022 Annual Report and Accounts can be accessed at: <https://videndum.com/investors/results-reports-and-presentations/>

SCHEDULE DEFINITIONS

"2022 Annual Financial Statements"	means the audited consolidated financial statements of the Group as at and for the financial year ended 31 December 2022, including the notes thereon;
"2022 Annual Report and Accounts"	means the annual report and accounts of the Company for the financial year ended 31 December 2022;
"2023 Annual General Meeting"	means the annual general meeting of the Company held on 11 May 2023;
"2023 Half Year Results"	means the announcement of the Company's results for the six months ended 30 June 2023 made on 26 September 2023, which includes the unaudited condensed consolidated interim financial statements of the Group as at and for the six months ended 30 June 2023 and the unaudited comparative financial information as at and for the six months ended 30 June 2022;
"Aberforth"	means Aberforth Partners LLP;
"Adjusted Basic Earnings Per Share"	has the meaning ascribed to it in section 6 (<i>Alternative Performance Measures</i>) of Part II (<i>Important Notices</i>);
"Adjusted Operating Profit"	has the meaning ascribed to it in section 6 (<i>Alternative Performance Measures</i>) of Part II (<i>Important Notices</i>);
"Adjusting items"	has the meaning ascribed to it in section 6 (<i>Alternative Performance Measures</i>) of Part II (<i>Important Notices</i>);
"Admission"	means admission of the New Ordinary Shares to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange;
"Agreed Guarantee Principles"	means the principles governing the guarantees provided in respect of the Group's Existing Senior Financing Indebtedness as further detailed in the Revolving Credit Facility, the Audix Term Loan and the Savage Term Loan;
"Alantra"	means Alantra EQMC Asset Management SGIIC S.A.;
"Amimon"	means Amimon Limited, incorporated in Israel;
"AMPTP"	has the meaning ascribed to it in section 1.2 of Part I (<i>Risk Factors</i>) of this document;
"Anton/Bauer"	means the "Anton/Bauer" trademark;
"APAC"	means the Asia-Pacific region, a business region that includes Asia and the Pacific Rim;
"Application Form"	means the personalised application form on which Qualifying Non-CREST Shareholders may apply for New Ordinary Shares under the Open Offer;
"Application Letter"	means the application letter set out on page 3 of the Application Form;
"Articles of Association"	means the articles of association of the Company from time to time;
"Audix"	means Audix LLC, organised in the United States and/or if the context requires, means the "audix" trademark;
"Audix Term Loan"	means the term loan entered into on 7 January 2022, as amended by an amendment letter dated 3 August 2023, an amendment letter dated 25 September 2023 and an amendment letter dated 10 November 2023 between, among others, the Company (as borrower), Citibank, N.A., London Branch, National Westminster Bank Plc, UniCredit Bank AG,

	London Branch, Wells Fargo Bank, N.A., London Branch (each as original lenders) and Citibank Europe plc, UK Branch (as agent);
“Audix Transaction”	has the meaning ascribed to it in section 10.2(C) (<i>Material Contracts</i>) of Part XIII (<i>Additional Information</i>) of this document;
“Autocue”	means Autocue Limited, incorporated in England and Wales and/or if the context requires, means the “autocue” trademark;
“Autoscript”	means Autoscript Limited, incorporated in England and Wales and/or if the context requires, means the “autoscript” trademark;
“Board”	means the board of directors of the Company from time to time;
“Bribery Act”	has the meaning ascribed to it in section 3.1 of Part I (<i>Risk Factors</i>) of this document;
“Business Day”	means any day on which banks are generally open in London for the transaction of business other than a Saturday or Sunday or public holiday;
“CAGR”	means compounded annual growth rate;
“Camera Corps”	means Camera Corps Ltd, incorporated in England and Wales and/or if the context requires, means the “camera corps” trademark;
“Capital Raising”	means the Firm Placing and the Placing and Open Offer;
“Capital Raising Related Party Transaction”	means the Related Party Transaction, as defined in the Listing Rules, in respect of the issue of the New Ordinary Shares to Alantra pursuant to the Firm Placing;
“CCSS”	means the CREST Courier and Sorting Service established by Euroclear UK to facilitate, amongst other things, the deposit, and withdrawal of securities has the meaning given to it in the CREST Manual;
“certificated” or “in certificated form”	refers to a share or other security which is not in uncertificated form (that is, not in CREST);
“Chair”	means the Chair of the Company;
“CIGO”	means La Cassa Integrazione Guadagni Ordinaria, the Italian government supported furlough programme;
“City Code”	means the UK City Code on Takeovers and Mergers;
“Closing Price”	means the closing, middle market quotation of an Existing Ordinary Share, as published in the Daily Official List;
“Colorama”	means the “Colorama” brand;
“Companies Act”	means the Companies Act 2006 of England and Wales, as amended, modified or re-enacted from time to time;
“Company” or “Videndum”	Videndum plc, a public limited company incorporated in England and Wales with registered number 00227691;
“Conditional Placee”	means any person who agrees to conditionally subscribe for Open Offer Shares (subject to clawback to satisfy Open Offer Entitlements taken up by Qualifying Shareholders) pursuant to the Placing;
“Consolidated Gross Borrowings”	means at any time the aggregate (without double counting and excluding any amount owed to another member of the Group) of the following: <ul style="list-style-type: none"> a) the outstanding principal amount of any moneys borrowed by any member of the Group and any outstanding overdraft debit balance of any member of the Group; b) the outstanding principal amount of any debenture, bond, note, loan stock or other security of any member of the Group;

- c) the outstanding principal amount of any acceptance under any acceptance credit opened by a bank or other financial institution in favour of any member of the Group;
- d) the outstanding principal amount of all moneys owing to a member of the Group in connection with the sale or discounting of receivables (otherwise than on a non-recourse basis);
- e) the capitalised element of indebtedness of any member of the Group in respect of any lease or hire purchase contract (excluding trade accounts arising in the normal course of trading); and
- f) the outstanding principal amount of any indebtedness of any person of a type referred to in sub-paragraphs (a) to (e) above which is the subject of a guarantee, indemnity or similar assurance against financial loss given by any member of the Group;

“Consolidated Net Borrowings”

means the aggregate amount of all Consolidated Gross Borrowings less cash at bank and cash equivalent investments, as determined from the most recently published annual or semi-annual consolidated financial statements of the Group;

“Consolidated Net Interest Charges”

means, in respect of any period, the aggregate amount (calculated on a consolidated basis) of interest, discount and/or finance charges (including any commitment fees payable on any facilities but excluding any “one-off” fees such as arrangement fees, agency fees or any other similar bank charges) paid and/or accrued or capitalised during that period in respect of any Consolidated Gross Borrowings, including for this purpose any acceptance commission paid or payable in respect of any bills of exchange or other negotiable instruments, in each case adjusted to reflect the cost and the benefit of any interest rate and/or currency hedging arrangements entered into by the Group in relation to such interest, discount and finance charges less interest accrued on cash at bank and cash equivalent investments in each case during that period;

“constant currency”

has the meaning ascribed to it in section 6 (*Alternative Performance Measures*) of Part II (*Important Notices*);

“COVID-19”

means the infectious disease caused by severe acute respiratory syndrome SARS-CoV-2, the resulting pandemic and related public health events;

“Creative Solutions” or “Creative Solutions Division”

means the division of Videndum entitled “Creative Solutions”;

“CREST”

means the system for the paperless settlement of trades in securities and the holding of uncertificated securities in accordance with the CREST Regulations operated by Euroclear UK;

“CREST Deposit Form”

means the CREST deposit form set out on page 4 of the Application Form;

“CREST Manual”

means the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CREST CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996, as amended);

“CREST member”

means a person who has been admitted by Euroclear UK as a system member of CREST;

“CREST Regulations”

means the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time;

“CREST Shareholders”	means Shareholders holding Ordinary Shares in uncertificated form;
“CREST sponsor”	means a CREST participant admitted to CREST as a CREST sponsor;
“CREST sponsored member”	means a CREST member admitted to CREST as a sponsored member;
“Daily Official List”	means the daily official list of the London Stock Exchange;
“Directors”	means the directors of the Company as at the date of this document, and “Director” means any one of them;
“Director and Senior Management Subscriptions”	means the subscription for New Ordinary Shares by each of the Directors and certain of the Senior Managers, further details of which are contained in Section 14 of Part V (<i>Letter from the Chair of Videndum plc</i>);
“Disclosure Guidance and Transparency Rules”	means the disclosure guidance and transparency rules made under Part VI of FSMA (as set out in the FCA Handbook), as amended;
“Division”	means any or a combination of the following: Creative Solutions Division, Media Solutions Division and Production Solutions Divisions;
“Due Underwriting Proportions”	means in the case of Jefferies, 50%, and in the case of Investec, 50%;
“EBITA”	means, in relation to any period, the total consolidated operating profit of the Group for that period: (a) before taking into account: (i) Consolidated Net Interest Charges; (ii) Tax; (iii) any profit or loss from any disposal of real property; (iv) Exceptional Items; (v) any share of the profit of any associated company or undertaking, except for (x) as provided in paragraph (b) below and (y) dividends received in cash by any member of the Group; (vi) charges for long term incentive plans, share options or any other form of share incentive which have no cash effect; and (b) after adding back all amounts provided for amortisation or write-down of goodwill for that period;
“EBITDA”	means, for any period, the EBITA, and amortisation of the Group (including the 12 month <i>pro forma</i> effect of any acquisitions or disposals made in the period in the case of acquisitions, applying the same accounting principles as if the acquired company was already part of the Group), after adding back all depreciation;
“EEA”	means the European Economic Area first established by the agreement signed at Oporto on 2 May 1992;
“Emmy”	means awards administered by three sister organisations, Television Academy, National Academy of Television Arts & Sciences and International Academy of Television Arts & Sciences;
“Enlarged Share Capital”	means the expected issued ordinary share capital of the Company immediately following the issue of the New Ordinary Shares;
“ESG”	means environmental, social and governance;
“ESG Committee”	means a committee chaired by the Group chief executive officer and comprising senior executives from across the Group;
“ESG Working Group”	means a group comprising ESG coordinators from each Division and the Group risk assurance manager;
“Equiniti”	means Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom;
“Equiniti Financial Service Limited”	means a private company registered in England and Wales with registered number 06208699 whose registered office is Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, being the FCA

	authorised and regulated entity that provides and manages the Special Dealing Service;
“Equity”	means the total of the share capital, share premium, translation reserve, capital redemption reserve, cash flow hedging reserve and retained earnings of the Group;
“EU” or “European Union”	means the European Union first established by the treaty made at Maastricht on 7 February 1992;
“EU Prospectus Regulation”	means the Prospectus Regulation (EU) 2017/1129, as amended from time to time;
“Euroclear UK”	means Euroclear UK & International Limited, the operator of CREST;
“EUWA”	means the European Union (Withdrawal) Act 2018, as amended;
“Exceptional Items”	means any material items of an unusual or non-recurring nature which represent gains or losses including those arising on: <ul style="list-style-type: none"> a) the restructuring of the activities of an entity and reversals of any provisions for the cost of restructuring; b) disposals, revaluations or impairments of non-current assets; or c) disposals of assets associated with discontinued operations;
“Excluded Shareholders”	means, subject to certain limited exceptions, Shareholders who have registered addresses in, who are incorporated in, registered in, or otherwise resident or located in, any Excluded Territory;
“Excluded Territories”	means Australia, Canada, Switzerland, South Korea, Israel, Singapore, South Africa, Japan and the United States (subject to certain limited exceptions), and any other jurisdiction where the extension or availability of the Capital Raising (and any other transaction contemplated thereby) would breach any applicable law or regulation and “Excluded Territory” means any one of them;
“Executive Committee”	means a committee of the board of directors comprised of the Company’s Executive Directors and the Senior Managers;
“Executive Directors”	means the executive directors of the Company as at the date of this document and “Executive Director” means any one of them;
“Existing Holding”	means a Qualifying Shareholder’s holding of Ordinary Shares on the Record Date;
“Existing Ordinary Shares”	means, the existing Ordinary Shares in issue immediately preceding the Capital Raising;
“Existing Senior Financial Indebtedness”	has the meaning ascribed to it in section 1.1 of Part I (<i>Risk Factors</i>);
“Ex-Entitlements Date”	means the date on which the New Ordinary Shares are expected to commence trading ex-entitlements, being 8.00 a.m. on 21 November 2023;
“FCA”	means the Financial Conduct Authority;
“FCA Handbook”	means the FCA’s Handbook of Rules and Guidance, as amended from time to time;
“Financial Debt Covenants”	has the meaning ascribed to it in section 2 of Part V (<i>Letter from the Chair of Videndum plc</i>) of this document;
“Firm Placee”	means any person that has conditionally agreed to subscribe for Firm Placing Shares;
“Firm Placing”	means the conditional placing of the Firm Placing Shares on the terms and subject to the conditions contained in the Placing Agreement;

"Firm Placing Shares"	means the 28,122,472 New Ordinary Shares which are to be issued by the Company pursuant to the Firm Placing;
"Form of Proxy"	means the form of proxy for use at the General Meeting which accompanies this document;
"FSMA"	means the Financial Services and Markets Act 2000 of England and Wales, as amended from time to time;
"General Meeting"	means the general meeting of the Company to be convened pursuant to the notice set out in this document (including any adjournment thereof);
"GDPR"	has the meaning ascribed to it in section 3.1 of Part I (<i>Risk Factors</i>) of this document;
"Group"	means the Company and each of its direct and indirect subsidiaries from time to time (where "subsidiary" shall have the meaning ascribed to it in the Companies Act);
"Historical Financial Information"	the historical financial information of the Group referred to in Part IX (<i>Historical Financial Information</i>) of this document;
"HMRC"	means HM Revenue and Customs;
"IASB"	means the International Accounting Standards Board;
"ICC"	independent content creators;
"IFRS"	means the UK-adopted International Accounting Standards as applied in accordance with the provisions of the Companies Act as applicable to companies reporting under those standards as at and for the financial year ended 31 December 2022;
"Investor Representation Letter"	means the letter executed by a QIB and delivered to the Company, certifying that, among other things: (a) it is a QIB and (b) it will only offer, sell, transfer, assign, pledge or otherwise dispose of the New Ordinary Shares in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and in compliance with applicable securities laws;
"ISIN"	means International Securities Identification Number;
"Israel-Gaza Conflict"	has the meaning ascribed to it in section 1.3 Part I (<i>Risk Factors</i>) of this document;
"JOBY"	means JOBY Technology (Shenzhen) Co. Limited, incorporated in China and/or if the context requires, means "JOBY" trademark;
"Joint Bookrunners"	means Jefferies International Limited and Investec Bank plc;
"Joint Global Co-ordinators"	means Jefferies International Limited and Investec Bank plc;
"Latest Practicable Date"	means 17 November 2023, being the latest practicable date prior to publication of this document;
"Leverage"	has the meaning ascribed to it in section 2 of Part V (<i>Letter from the Chair of Videndum plc</i>) of this document;
"Lightstream"	has the meaning ascribed to it in section 10.6 (<i>Material Contracts</i>) of Part XIII (<i>Additional Information</i>) of this document;
"Listing Rules" or "LR"	means the listing rules made under Part VI of FSMA (as set out in the FCA Handbook), as amended;
"Litepanels"	means the "litepanels" trademark;
"London Stock Exchange"	means London Stock Exchange Group plc or its successor(s);
"Manfrotto"	means the "manfrotto" trademark;

“MAR”	means Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, in the form retained in the English law and as amended from time to time;
“Media Solutions” or “Media Solutions Division”	means the division of Videndum entitled “Media Solutions”;
“Member State”	means a member state of the EEA;
“Minimum Basic Agreement”	means a collective bargaining agreement that covers the benefits, rights, and protections for work done by WGA members;
“Money Laundering Regulations”	means the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, as amended from time to time;
“Negotiating Committee”	means the negotiating committee of the Writers Guild of America;
“Net Debt”	has the meaning ascribed to it in section 6 (<i>Alternative Performance Measures</i>) of Part II (<i>Important Notices</i>);
“New Ordinary Shares”	means the Ordinary Shares to be issued by the Company pursuant to the Capital Raising and the Director and Senior Management Subscriptions;
“Non-Executive Directors”	means the non-executive directors of the Company as at the date of this document and “Non-Executive Director” means any one of them;
“Non-Taken Up Shares”	has the meaning given to it in Section 2 of Part VII (<i>Terms and Conditions of the Capital Raising</i>) of this document;
“Notice”	means the notice of the General Meeting contained in this document;
“Offer Price”	means 267 pence per New Ordinary Share;
“Official List”	means the official list maintained by the FCA pursuant to FSMA;
“Open Offer”	means the conditional invitation to Qualifying Shareholders to apply to subscribe for the Open Offer Shares at the Offer Price on the terms and subject to the conditions set out in this document and, in the case of Qualifying Non-CREST Shareholders only, the Application Form;
“Open Offer Entitlements”	means entitlements to subscribe for Open Offer Shares allocated to a Qualifying Shareholder pursuant to the Open Offer;
“Open Offer Shares”	means 18,748,315 New Ordinary Shares which are to be issued by the Company pursuant to the Open Offer;
“Ordinary Shares”	means the ordinary shares of 20 pence each in the share capital of the Company;
“Overseas Shareholders”	means Shareholders with registered addresses outside the United Kingdom or who are incorporated in, registered in, or otherwise resident or located in, countries outside the United Kingdom;
“Permitted US Shareholders”	means Qualifying Shareholders that are QIBs and whom the Company determines, in its sole discretion, are able, based on such criteria, procedures and certifications as it deems appropriate, to participate in the Open Offer pursuant to an applicable exemption from the registration requirements of the US Securities Act;
“Placee”	means a Conditional Placee or a Firm Placee;
“Placing”	means the conditional placing of the Open Offer Shares, subject to clawback pursuant to the Open Offer, on the terms and subject to the conditions contained in the Placing Agreement;
“Placing Agreement”	means the sponsor, placing and open offer and underwriting agreement dated 20 November 2023 and made between the Company, the Sponsor

	and the Joint Bookrunners, a summary of which is contained in Section 10.1 of Part VIII (<i>Additional Information</i>) of this document;
“Placing Shares”	means the Open Offer Shares proposed to be issued by the Company pursuant to the Placing (to the extent that such shares have not been validly taken up pursuant to the Open Offer);
“PRA” or “Prudential Regulation Authority”	means the Prudential Regulation Authority of the United Kingdom;
“Production Solutions” or “Production Solutions Division”	means the division of Videndum entitled “Production Solutions”;
“Prospectus Regulation”	means the Prospectus Regulation (EU) 2017/1129, as amended from time to time, as it forms part of the domestic law of the United Kingdom by virtue of EUWA, as amended;
“Prospectus Regulation Rules”	means the Prospectus Regulation Rules of the FCA made under section 73A of FSMA;
“QIB”	a “qualified institutional buyer” within the meaning of Rule 144A under the US Securities Act;
“Qualifying CREST Shareholders”	means Qualifying Shareholders holding Ordinary Shares in uncertificated form;
“Qualifying Non-CREST Shareholders”	means Qualifying Shareholders holding Ordinary Shares in certificated form;
“Qualifying Shareholders”	means holders of Existing Ordinary Shares on the register of members of the Company at the Record Date;
“Quasar Science”	means the “quasar” brand;
“R&D”	means research and development;
“Record Date”	means the date specified in the Expected Timetable of Principal Events on which a Shareholder must hold Ordinary Shares to be a Qualifying Shareholder;
“Regulation S”	means Regulation S under the US Securities Act;
“Regulatory Information Service”	means one of the regulatory information services authorised by the FCA to receive, process and disseminate regulatory information from listed companies;
“Registrar” or “Receiving Agent”	means Equiniti;
“Related Party Transaction”	has the meaning ascribed to it in paragraph 9 of IAS 24, being the standard adopted according to Regulation (EC) No. 1606/2002;
“Resolutions”	means each of the resolutions to be proposed at the General Meeting as set out in the Notice;
“Revolving Credit Facility” or “RCF”	a multi-currency £200,000,000 Revolving Credit Facility originally dated 5 July 2016 as amended and restated on 12 November 2021 and as amended by an amendment letter dated 3 August 2023, an amendment letter dated 25 September 2023 and an amendment letter dated 10 November 2023;
“Risk Factors”	means risk factors set out in Part I (<i>Risk Factors</i>) of this document;
“Rule 144A”	means Rule 144A under the US Securities Act;
“Russia-Ukraine Conflict”	has the meaning ascribed to it in section 1.3 Part I (<i>Risk Factors</i>) of this document;
“Rycote”	means the “rycote” trademark;

“Sachtler”	means the “sachtler” trademark;
“SAG-AFTRA”	has the meaning ascribed to it in section 1.2 of Part I (<i>Risk Factors</i>) of this document;
“SAG-AFTRA Member Ratification”	has the meaning ascribed to it in section 1.2 of Part I (<i>Risk Factors</i>) of this document;
“Savage”	has the meaning ascribed to it in section 10.4 (<i>Material Contracts</i>) of Part XIII (<i>Additional Information</i>) of this document;
“Savage Term Loan”	means the term loan entered into on 15 November 2021, as amended by an amendment letter dated 3 August 2023, an amendment letter dated 25 September 2023 and an amendment letter dated 10 November 2023 between, among others, the Company (as borrower), Citibank, N.A., London Branch, National Westminster Bank Plc, UniCredit Bank AG, London Branch, Wells Fargo Bank, N.A., London Branch (each as original lenders) and Citibank Europe plc, UK Branch (as agent);
“Savage Transaction”	has the meaning ascribed to it in section 10.2(B) (<i>Material Contracts</i>) of Part XIII (<i>Additional Information</i>) of this document;
“SDRT”	means stamp duty reserve tax;
“SEC”	means the United States Securities and Exchange Commission;
“SEDOL”	means Stock Exchange Daily Official List;
“Senior Managers”	has the meaning ascribed to it in section 7.2 of Part XIII (<i>Additional Information</i>);
“Shareholder Helpline”	means the telephone helpline for Shareholders, on 0371 384 2050 (from inside the United Kingdom) or +44 (0)371 384 2050 (if calling from outside the United Kingdom);
“Shareholders”	means the holder(s) of Ordinary Shares from time to time and “Shareholder” means any one of them;
“Share Plans”	means the Videndum Long Term Incentive Plan, Videndum Deferred Bonus Plan, Videndum Restricted Share Plan and the Videndum Sharesave Plan;
“SmallHD”	means SmallHD LLC, organised in the United States and/or if the context requires, means the “smallHD” trademark;
“Sponsor”	means N.M. Rothschild & Sons Limited;
“stock account”	means an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited;
“TAM”	means total addressable market;
“Tax”	means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);
“TCFD”	means Task Force on Climate-related Financial Disclosures;
“Teradek”	means Teradek, LLC, organised in the United States and/or if the context requires, means the “teradek” trademark;
“Test Date”	means: <p>(A) each date in each year which is the Company’s accounting reference date and the date falling six months thereafter, being, as at the date of this Prospectus, 31 December and 30 June; and</p> <p>(B) 31 March 2024 and 30 September 2024;</p>

"The Camera Store"	means The Camera Store Limited, incorporated in England and Wales and/or if the context requires, means the "camera store" trademark;
"Total Capital Raising"	means, for the purposes of Part XI (<i>Unaudited Pro Forma Financial Information</i>) only, the Capital Raising and the Director and Senior Management Subscriptions;
"uncertificated" or "in uncertificated form"	refers to a share or other security recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
"United Kingdom" or "UK"	means the United Kingdom of Great Britain and Northern Ireland;
"United States" or "US"	means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
"USE Instructions"	means Unmatched Stock Event instructions, as defined in the CREST Regulations;
"US Securities Act"	means the US Securities Act of 1933, as amended;
"US Writers' and Actors' Strikes"	has the meaning ascribed to it in section 1.2 of Part I (<i>Risk Factors</i>) of this document;
"Vinten"	means the "vinten" trademark;
"WGAE Council"	means the council of Writers Guild of America East;
"WGAW Board"	means the board of directors of Writers Guild of America West;
"Wooden Camera"	means Wooden Camera, Inc, organised in the United States and/or if the context requires, means the "wooden camera" trademark;
"Working Capital Statement"	means the working capital statement in section 13 (<i>Working Capital</i>) of Part XIII (<i>Additional Information</i>) of this document;
"Writers Guild of America" or "WGA"	has the meaning ascribed to it in section 1.2 Part I (<i>Risk Factors</i>) of this document; and
"VAT"	means: <ul style="list-style-type: none"> (A) any value added tax imposed by Value Added Tax Act 1994 and legislation and regulations supplemental thereto; (B) to the extent not included in paragraph (A) above, any Tax imposed in compliance with the council directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and (C) any other Tax of a similar nature to the Taxes referred to in paragraph (A) or paragraph (B) above, whether imposed in the UK or a member state of the EU in substitution for, or levied in addition to, the Taxes referred to in paragraph (A) or paragraph (B) above or imposed elsewhere.

NOTICE OF GENERAL MEETING

Videndum plc

(Incorporated in England and Wales with registered number 00227691)

NOTICE IS HEREBY GIVEN THAT A GENERAL MEETING of Videndum plc (the “**Company**”) will be held at 10:30 a.m. (London time) on 7 December 2023 at 41 Portland Place, London, W1B 1QH to consider and, if thought fit, to pass the following resolutions which will be proposed, in the case of resolutions 1 to 3, as ordinary resolutions and, in the case of resolution 4, as a special resolution.

Ordinary resolutions

Resolution 1—Authority to allot shares

THAT, subject to and conditional upon resolutions 2, 3 and 4 being duly passed, the Company’s board of directors be and are hereby generally and unconditionally authorised to exercise all powers of the Company pursuant to and in accordance with section 551 of the Companies Act 2006 to allot shares and to grant rights to subscribe for or to convert any security into such shares (all of which transactions are hereafter referred to as an allotment of “relevant securities”) up to an aggregate nominal amount of £9,465,991 pursuant to the Capital Raising and the Director and Senior Management Subscriptions, which authority shall be in addition to the existing authority conferred on the Company’s board of directors on 11 May 2023, which shall continue in full force and effect. The authority conferred by this resolution shall expire at the conclusion of the Company’s next annual general meeting (unless previously revoked or varied by the Company in a general meeting), save that the Company may, before such expiry, revocation or variation, make an offer or agreement which would or might require relevant securities to be allotted after such expiry, revocation or variation and the Company’s board of directors may allot relevant securities in pursuance of such offer or agreement as if the authority hereby conferred had not expired or been revoked or varied.

Resolution 2—Authority to allot shares at a discount

THAT, subject to and conditional upon resolutions 1, 3 and 4 being duly passed, the Company’s board of directors be and are hereby generally and unconditionally authorised to allot up to 47,329,954 New Ordinary Shares pursuant to the Capital Raising and the Director and Senior Management Subscriptions at an issue price of 267 pence, which is at a 3.3% discount to the Closing Price of the Existing Ordinary Shares as at 20 November 2023 (being the last Business Day before the publication of this document) and otherwise on the terms set out in the Prospectus, such authority to expire on the conclusion of the next annual general meeting of the Company (unless previously revoked or varied by the Company in a general meeting).

Resolution 3—Alantra related party transaction

THAT, subject to and conditional upon resolutions 1, 2 and 4 being duly passed, the subscription by Alantra of up to 11,235,955 New Ordinary Shares pursuant to the Capital Raising, be and is hereby approved.

Special resolution

Resolution 4—Disapplication of pre-emption rights

THAT, subject to and conditional upon resolutions 1, 2 and 3 being duly passed, in addition to all existing authorities conferred on the Company’s board of directors, the Company’s board of directors be and are hereby generally and unconditionally authorised pursuant to section 571 of the Companies Act 2006 to allot equity securities (as defined in section 560(1) of the Companies Act 2006) for cash, pursuant to the authority conferred by resolutions 1 and 2 above, as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, such power to be limited to the allotment of equity securities pursuant to the authority granted by resolutions 1 and 2 up to an aggregate nominal amount of £9,465,991. This authorisation:

- (A) expires at the conclusion of the Company’s next annual general meeting (unless previously revoked or varied by the Company in a general meeting), save that the Company may, before such expiry, revocation or variation, make an offer or enter into an agreement which would, or

might, require equity securities to be allotted after such expiry, revocation or variation and the Company's board of directors may allot equity securities in pursuance of such offer or agreement as if the authority hereby conferred by this resolution had not expired or been revoked or varied; and

- (B) shall enable the allotment of equity securities in connection with the Capital Raising and the Director and Senior Management Subscriptions including any limits, restrictions, or arrangements which the Company's board of directors consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter in connection with therewith.

By order of the Board

Jon Bolton
Company Secretary

21 November 2023

Videndum plc
Bridge House,
Heron Square,
Richmond,
United Kingdom, TW9 1EN

Registered in England and Wales
Registered Number: 00227691

NOTES TO THE NOTICE OF GENERAL MEETING

1. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend, speak or vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this Notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Equiniti Limited on 0371 384 2050 or +44 (0)371 384 2050 if calling from overseas. Lines are open between 8.30 am and 5.30 pm, Monday to Friday, excluding public holidays in England and Wales.
2. To be valid, any proxy form or other instrument appointing a proxy must be received by post or by hand (during normal business hours only) at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, no later than 10:30 a.m. on 5 December 2023 (or, in the event of any adjournment, so as to arrive no later than 48 hours, excluding non-working days, before the time appointed for the adjourned General Meeting). Alternatively, a proxy may be appointed electronically at www.sharevote.co.uk by the same time and date. You will need your Voting ID, Task ID and Shareholder Reference Number (these can be found on your Form of Proxy). Full instructions are given on the website. If you have already registered with Equiniti's online portfolio service, Shareview, you can submit your proxy by logging on to your portfolio at www.shareview.co.uk using your usual user ID and password.
3. As the proposed subscription by Alantra constitutes a related party transaction pursuant to the Listing Rules (as defined in the Prospectus) by reason of Alantra being a related party because it is a substantial shareholder in the Company (being a party which is entitled to exercise 10% or more of the Company's votes able to be cast on all or substantially all of the matters at general meetings of the Company) Alantra and its affiliates will not vote on Resolution 3.
4. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 11 below) will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so. If you have appointed a proxy and then attend the General Meeting in person, your proxy appointment will automatically be terminated.
5. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
6. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
7. To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Company's register of members of the Company by 6.30 p.m. on 5 December 2023, or, in the event of any adjournment, by close of business on the date which is two working days before the time of the adjourned meeting. Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting. In accordance with LR 11.1.7 of the Listing Rules, neither Alantra nor any of its affiliates will be entitled to vote on resolution 3.
8. As at 17 November 2023 (being the latest practicable business day prior to the publication of this Notice), the Company's issued share capital consists of 46,870,787 ordinary shares of 20 pence each, carrying one vote each. The Company held no shares in treasury as at this date. Therefore, the total voting rights in the Company as at that latest practicable date are 46,870,787.
9. Voting on the resolutions will be conducted by way of a poll and not by a show of hands. On a poll, every member shall have one vote for every ordinary share held. The Board consider that a poll is in accordance with good corporate governance since it allows the votes of all shareholders who have submitted a proxy form to be counted.

10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. For a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted to be received by the issuer’s agent (ID RA19) by 10:30 a.m. on 5 December 2023. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
12. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
14. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.
15. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company’s register of members of the Company in respect of the joint holding (the first-named being the most senior).
16. Any shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the Company’s interests or the good order of the meeting that the question be answered. Please note that the meeting is being held specifically to seek approval in relation to the Capital Raising, so questions should relate only to the business of the meeting rather than the general business of the Company. If you have questions relating to the mechanics of the Capital Raising or the meeting, you should contact the Registrar in the first instance using the details set out in note 19 below.
17. A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found at **www.Videndum.com**.
18. Personal data provided by shareholders during or in respect of the General Meeting will be processed according to the Company’s privacy policy, which is available on its website at **www.Videndum.com**.

19. Except as provided above, shareholders who have general queries about the General Meeting should call the Registrar's helpline on +44 (0)371 384 2050. The helpline is available from 8:30 a.m. to 5:30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales). Calls from outside the United Kingdom will be charged at the applicable international rate. Please note that, for legal reasons, the helpline will be unable to give advice on the merits of the Capital Raising or to provide financial, investment or taxation advice. No other methods of communication will be accepted.

