

This document comprises a prospectus (the "**Prospectus**") for the purposes of Article 3 of Regulation (European Union ("EU")) 2017/1129 ("**EU Prospectus Regulation**"), which is part of the domestic law of the United Kingdom of Great Britain and Northern Ireland ("**United Kingdom**" or "**UK**") by virtue of European Union (Withdrawal) Act 2018 ("**EUWA**") ("**UK Prospectus Regulation**") relating to RegTech Open Project plc (the "**Company**", and, together with its subsidiaries and subsidiary undertakings from time to time, as the context requires, the "**Group**" or "**RTOP**") prepared in accordance with the prospectus regulation rules ("**Prospectus Regulation Rules**") of the UK Financial Conduct Authority (the "**FCA**") made under section 73A of Financial Services and Markets Act 2000 ("**FSMA**").

This Prospectus has been approved by the FCA, as competent authority under the UK Prospectus Regulation. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Company and of the quality of the ordinary shares of nominal value £0.20 each in the capital of the Company (the "**Ordinary Shares**") that are the subject of this Prospectus.

Investors should make their own assessment as to the suitability of investing in the Ordinary Shares.

This Prospectus has been filed with the FCA and will be made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

In accordance with the listing rules (the "**Listing Rules**") published by the FCA under section 73A of FSMA, upon publication of this Prospectus, applications will be made to the FCA and to London Stock Exchange plc (the "**London Stock Exchange**"), respectively, for 60,000,000 existing Ordinary Shares (the "**Existing Ordinary Shares**") to be admitted to listing on the standard segment of the Official List ("**Standard Listing**") maintained by the FCA (the "**Official List**"), in its capacity as competent authority under FSMA (under Chapter 14 of the Listing Rules) and to trading on the main market for listed securities (the "**Main Market**") of the London Stock Exchange ("**Admission**") by way of a direct introduction ("**Direct Listing**").

It is expected that Admission will become effective, and that unconditional dealings in the Ordinary Shares will commence, at 8.00 a.m. on 25 August 2023. No application has been, or is currently intended to be, made for the Ordinary Shares to be admitted to listing or traded on any other stock exchange. Prior to the date of this Prospectus, there has been no public market for the Ordinary Shares.

The Company and its directors, whose names appear on page 33 of this Prospectus (the "**Directors**"), accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

The whole of the text of this Prospectus should be read by prospective investors, in particular the discussion of certain risks factors that should be considered in connection with an investment in the Ordinary Shares, as set out in Part II – Risk Factors beginning on page 7 of this Prospectus.

RegTech OPEN PROJECT

RegTech Open Project plc

(Incorporated under the Companies Act 2006 and registered under the laws of England & Wales with company number 14721885)

Admission of 60,000,000 Existing Ordinary Shares to the Official List (by way of a Standard Listing under Chapter 14 of the Listing Rules) and to trading on the Main Market of the London Stock Exchange by way of a Direct Listing

Pursuant to an English law governed contribution agreement between the Company and RegTech Open Project S.p.A. ("**RegTech Italy**") (a wholly-owned subsidiary of The AvantGarde Group S.p.A. ("**TAG**")), dated 14 August 2023 (the "**Contribution Agreement**"), RegTech Italy contributed its entire business and assets, principally comprising a proprietary software platform focussed on operational resilience ("**OR**") (the "**Orbit Open Platform**"), and transferred all its liabilities to the Company (the "**Contribution**"), in consideration for which, the Company allotted and issued 11,950,000 new ordinary shares of nominal value £1.00 each to RegTech Italy. Following the Contribution, the Company subdivided its entire issued share capital of 12,000,000 ordinary shares of nominal value £1.00 each into 60,000,000 Ordinary Shares (the "**Subdivision**"), and together with the Contribution, the "**Corporate Reorganisation**"). As at the date of this Prospectus, TAG (directly and via RegTech Italy) is the ultimate beneficial owner of 60,000,000 Existing Ordinary Shares.

Pursuant to certain English and Italian law governed sale and purchase agreements between RegTech Italy and 12 independent third-parties ("**Purchasers**"), entered into prior to the date of this Prospectus (the "**SPAs**"), conditional on Admission, RegTech Italy has irrevocably agreed to sell, and the Purchasers have irrevocably agreed to buy, in aggregate 17,483,000 Existing Ordinary Shares at a price of £1.00 each (the "**Purchase Price**", which shall be the reference price per Ordinary Share on Admission, the "**Reference Price**"). Further details on the SPAs are set out in paragraph 19.1 of *Part XIV – Additional Information* of this Prospectus.

Pursuant to certain Italian law governed acquisition agreements between TAG and two selling independent third-parties, entered into prior to the date of this Prospectus (the "**Acquisition Agreements**") conditional on Admission, TAG has irrevocably agreed to purchase shares in an unlisted private company and will procure that RegTech Italy transfers 650,000 Existing Ordinary Shares in aggregate as consideration to the selling independent third parties, using the Purchase Price as a denominator. Further details on the Acquisition Agreements are set out in paragraph 19.2 of *Part XIV – Additional Information* of this Prospectus.

Pursuant to certain English law governed settlement agreements between TAG and four settlor independent third-parties, entered into prior to the date of this Prospectus (the "**Settlement Agreements**"), conditional on Admission, TAG has irrevocably agreed to procure that RegTech Italy transfers 2,864,000 Existing Ordinary Shares to settle outstanding debts between TAG and such independent third-parties, using the Purchase Price as a denominator. Further details on the Settlement Agreements are set out in paragraph 19.3 of *Part XIV – Additional Information* of this Prospectus.

Pursuant to an English law governed loan agreement, cast as a deed, between the Company and RegTech Italy, dated 21 August 2023 (the "**Shareholder Loan Agreement**"), conditional on Admission, RegTech Italy shall provide a facility of up to £8,000,000 to the Company, drawable at the Company's request, to cover the Group's working capital requirements, comprising: (i) up to £2,000,000 in cash, to be drawn by 1 September 2023, which shall attract a non-compounding interest rate of 10% per annum (calculated on a 360-day basis); (ii) up to £500,000 in cash, to be drawn by 30 September 2023, which shall attract a non-compounding interest rate of 10% per annum (calculated on a 360-day basis); (iii) during the period commencing on 25 August 2023 and ending on 31 March 2024, up to £2,000,000, which may, at the election of the Company, be set-off on a £-for-£ basis against certain payables of the Company (where such payables shall be transferred to RegTech Italy to be settled), and which shall attract a non-compounding interest rate of 5% per annum (calculated on a 360-day basis); and (iv) save to the extent that the Company receives unrestricted cash amounts from the exercise of any outstanding Warrants and/or alternative equity, debt or hybrid financing and such unrestricted cash amounts are in the opinion of the board of Directors from time to time (the "**Board**") sufficient to enable the Company to meet the Group's working capital obligations under the Prospectus Regulation Rules, during the period commencing on 1 October 2023 and ending on 31 December 2024, up to £3,500,000 in cash, which may be drawn by the Company by giving RegTech Italy no less than 20 Business Days' written notice and subject to maximum monthly drawings of £500,000 (until fully drawn), and which shall attract a non-compounding interest rate of 10% per annum (calculated on a 360-day basis) (the "**Shareholder Facility**"). Funds available under the Shareholder Facility are fully committed as at the date of this Prospectus, and any outstanding conditions to drawdown post-Admission are within the Company's control and/or are customary. The due date for repayment by the Company of amounts drawn and outstanding under the Shareholder Facility is 31 December 2026. Any principal amount (excluding accrued interest) drawn and outstanding on 31 December 2026 shall attract a compounding interest rate of 15% per annum thereafter. Further details on the Shareholder Loan Agreement are set out in paragraph 18.8 of *Part XIV – Additional Information* of this Prospectus.

Pursuant to an English law governed warrant instrument, cast as a deed, by the Company, dated 21 August 2023 (the "**Warrant Instrument**"), up to 7,500,000 warrants ("**Warrants**") were constituted, each exercisable into one new Ordinary Share ("**Warrant Shares**") at the option of the holder by a final exercise date of 25 August 2026 at an exercise price equal to the nominal value of £0.20 (subject to any adjustment for any variation of capital of the Company) per Warrant Share ("**Exercise Price**"), or on a cashless basis. The Company shall issue, conditional on Admission, 2,250,000 Warrants to RegTech Italy as a commitment fee in connection with the Shareholder Facility, 3,750,000 Warrants to TAG relating to conversion of historic TAG shareholder loans to the Group and 1,500,000 Warrants to Westcott Hill Capital Limited in relation to pre-Direct Listing business advisory services. Following Admission, if all outstanding Warrants are exercised in full, the Company would be required to issue and allot a maximum of 7,500,000 new Ordinary Shares to holders. Further details of the Warrant Instrument are set out in paragraph 18.10 of *Part XIV – Additional Information* of this Prospectus.

No application has been, nor will be, made for any Warrants to be admitted to listing or trading on any stock exchange, and there has not been, nor will there be, any public market for any Warrants. The Company obtained authority from the then holders of Ordinary Shares, TAG and RegTech Italy, at a general meeting on 18 August 2023, *inter alia*, to allot on a non-pre-emptive basis the Warrant Shares on exercise of the Warrants, and disapplying pre-emption rights in respect of future share issues whether for cash or otherwise.

This Prospectus is being published to allow for Admission of the Existing Ordinary Shares by way of a Direct Listing, and does not constitute an offer or invitation to any person to subscribe for or purchase, or the solicitation of an offer or invitation to subscribe for or purchase, any Ordinary Shares or any other securities of the Company in any jurisdiction.

Neither the Company nor any of its representatives is making any representation to any investor of any securities regarding the legality of an investment in any of the Company's securities by such investor under the laws applicable to such investor. The contents of this Prospectus should not be construed as legal, financial or tax advice. Each investor should consult their own legal, financial or tax adviser for legal, financial or tax advice.

Capitalised terms have the meanings ascribed to them in *Part XV – Definitions* of this Prospectus.

The date of this Prospectus is 22 August 2023.

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PART I

SUMMARY

SECTION A – INTRODUCTION AND WARNINGS

A.1.1 *Name and International Securities Identification Number ("ISIN") of the securities*

The securities for which Admission is sought are Ordinary Shares with a nominal value of £0.20 each in the capital of the Company, which are registered with ISIN GB00BS3BDY00, Stock Exchange Daily Official List ("SEDOL") code BS3BDY0 and Tradable Instrument Display Mnemonic ("TIDM") RTOP.

A.1.2 *Identity and contact details of the issuer, including its Legal Entity Identifier ("LEI")*

The issuer is RegTech Open Project plc, and its registered address is at 9th Floor, 107 Cheapside, London EC2V 6DN, United Kingdom and telephone number is +44 (0)20 7862 4600.

The Company's LEI is 21380067ZMA5LECFSL38.

A.1.3 *Identity and contact details of the competent authority approving the prospectus*

The competent authority approving this Prospectus is the FCA.

The FCA's registered address is at 12 Endeavour Square, London E20 1JN, United Kingdom and telephone number is +44 (0)20 7066 1000.

A.1.4 *Date of approval of the prospectus*

This Prospectus was approved on 22 August 2023.

A.1.5 *Warnings*

This summary should be read as an introduction to this Prospectus. Any decision to invest in the Ordinary Shares should be based on consideration of this Prospectus as a whole by the investor. The investor could lose all or part of the invested capital.

Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such Ordinary Shares.

SECTION B – KEY INFORMATION ON THE ISSUER

B.1 *Who is the issuer of the securities?*

B.1.1 *Domicile, legal form, jurisdiction of incorporation, LEI, the law under which it operates and country of operation*

The Company is domiciled in England & Wales, and was incorporated as a public limited company under the Companies Act 2006 (the "**Companies Act**") in England & Wales on 10 March 2023 with name "RegTech Open Project plc", an indefinite life, registered number 14721885 and LEI 21380067ZMA5LECFSL38.

The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares have been created, is the Companies Act and the regulations made thereunder.

The Company operates in conformity with its constitution, and is subject to the City Code on Takeovers and Mergers (the "**Takeover Code**").

Pursuant to the Corporate Reorganisation, on 14 August 2023, RegTech Italy (a wholly-owned subsidiary of TAG), which was incorporated on 15 November 2017, contributed its entire business and assets, principally comprising the Orbit Open Platform, to a newly established permanent establishment in Italy (which is not a separate legal entity) of the Company. As a result, the Company became the owner and operator of the Orbit Open Platform, and the holding company of the Group. The Corporate Reorganisation also included the transfer by RegTech Italy to the Company of the following interest in a subsidiary undertaking:

Entity	Jurisdiction	Date of incorporation	Registered address	Company number	Percentage ownership
瑞吉泰科技（北京）有限公司 (or Ruijitai Technology (Beijing) Co., Limited or RegTech China Co. Ltd.) ("RegTech China") ¹	People's Republic of China ("PRC")	8 November 2022	No.101-01, Floor 1, Building 14, No. 20, Guangde Avenue, Beijing Economic-Technological Development Zone (Daxing), Beijing, PRC	91110400 MAC1MXDL42	49%

¹ RegTech China was incorporated pursuant to a Hong Kong law governed joint venture agreement between RegTech Italy and Zhejiang Chenxing Investment Management Co., Ltd. (or Summer Atlantic Capital China) ("SACC"), dated 22 June 2022, as novated to the Company on 14 August 2023 (the "**RegTech China JVA**"). RegTech China has been dormant and has not traded or commenced operations since its incorporation, nor will it trade or commence operations prior to Admission.

B.1.2 Principal activities

RTOP is a technology business specialised in the automation, management, and optimisation of regulatory compliance operations ("**regtech**") that has developed the award-winning Orbit Open Platform, which helps its customers navigate an increasingly complex regulatory landscape, maintain a secure and stable operating environment, whilst improving compliance with applicable regulations and standards, and reducing the risk of business disruptions.

The Orbit Open Platform is a cloud-based software-as-a-service ("**SaaS**") solution that offers a suite of modules and features enabling businesses to achieve OR more efficiently and effectively. By leveraging the cloud, the Orbit Open Platform is able to offer flexibility, scalability, and easy access for businesses of all sizes, sectors and geographies.

RTOP has designed and built the Orbit Open Platform with user-experience in mind, such that the dashboard interfaces and report-based outputs are customised to the requirements of, and may be integrated with third-party software adopted by, its respective customers, the majority of which rely on the Orbit Open Platform to model their business risk assessments, develop strategies for business continuity, plan and implement OR exercises, and to manage real-world incidents and crises.

RTOP currently has over 1,000 daily users from 19 customers of the Orbit Open Platform principally in the financial services sector, including four significant Italian-headquartered banks, and other sectors (including, insurance, manufacturing, public administration and telecommunications) across three key geographies (Europe, the Middle East and South America).

B.1.3 Major Shareholders

In so far as it is known to the Company, the following persons are as at the date of this Prospectus, and are expected to be on Admission, directly or indirectly, interested (within the meaning of the Companies Act) in 3% or more of the Company's issued share capital (being the threshold for notification of interests that will apply to holders of Ordinary Shares ("**Shareholders**") on Admission, pursuant to Chapter 5 of the disclosure guidance and transparency rules (the "**Disclosure Guidance and Transparency Rules**" or "**DTRs**") of the FCA made in accordance with section 73A of FSMA:

Shareholder	As at the date of this Prospectus		On Admission	
	Number of Ordinary Shares	Percentage of issued share capital	Number of Ordinary Shares	Percentage of issued share capital
TAG ^{1 2}	60,000,000	100%	39,003,000	65%

¹ As at the date of this Prospectus, TAG directly holds 250,000 Ordinary Shares, equating to 0.4% of the Company's issued share capital, and indirectly holds, via RegTech Italy (a wholly-owned subsidiary of TAG), 59,750,000 Ordinary Shares equating to 99.6% of the Company's issued share capital. The voting rights associated with the Ordinary Shares held by TAG indirectly via RegTech Italy are capable of being exercised by TAG.

² Conditional on Admission, RegTech Italy shall dispose of 20,997,000 Ordinary Shares to various third-parties that are independent of TAG, RegTech Italy and the Company, such that approximately 35% of the listed class of Ordinary Shares will be in public hands (as defined in the Listing Rules). The Company is not party to the arrangements to be entered into between TAG or RegTech Italy and such independent third parties, save that the Company's secretary, OHS Secretaries Limited (the "**Company Secretary**") and registrar, Link Market Services Limited (trading as LINK Group) (the "**Registrar**") will be instructed accordingly to amend the Company's register and issue the Ordinary Shares in certificated and dematerialised form (as applicable). The Company will not receive any proceeds from the disposal or sale (as applicable) of such 20,997,000 Ordinary Shares, and none of the resultant Shareholders will hold more than or equal to 3% of the Company's issued share capital on Admission. On Admission, TAG will directly hold 250,000 Ordinary Shares, equating to 0.4% of the Company's issued share capital, and indirectly hold via RegTech Italy, 38,753,000 Ordinary Shares equating to 64.6% of the Company's issued share capital.

Save as disclosed in this element, the Company and the Directors are not aware of any person who, as at the date of this Prospectus, directly or indirectly, has a holding which is notifiable under English law or who directly or indirectly, jointly or severally, exercises or could exercise control over the Company, nor are they aware of any arrangements the operation of which may at a subsequent date result in a change of control over the Company. Those interested, directly or indirectly, in 3% or more of the issued Ordinary Shares (as set out in the above table) do not as at the date of this Prospectus, and, following Admission, will not, have different voting rights from other Shareholders.

B.1.4 Key managing directors

Ian Halliday-Pegg is Chief Executive Officer; Executive Director.

B.1.5 Statutory auditors

PKF Littlejohn LLP of 15 Westferry Circus, Canary Wharf, London E14 4HD, United Kingdom.

B.2. What is the key financial information regarding the issuer?

B.2.1 Selected historical financial information

The tables below set out the summary historical financial information of the Group (the "**Historical Financial Information**"), comprising audited financial information for the 12-month periods ended 31 December 2022 ("**FY-22**"), 31 December 2021 ("**FY-21**") and 31 December 2020 ("**FY-20**"), respectively, as reported in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("**IASB**") and IFRS Interpretation Committee ("**IFRS IC**"), as adopted by the UK ("**IFRS**").

The Company was incorporated on 10 March 2023 and established a permanent establishment in Italy (which is not a separate legal entity) on 20 July 2023. Aside from establishing the Italian permanent establishment and receiving the Contribution from RegTech Italy of the Orbit Open Platform and the interests in RegTech China and the transfer of the liabilities of RegTech Italy pursuant to the Corporate Reorganisation which took effect on 14 August 2023, the Company has been dormant and has not traded or commenced operations since its incorporation, and will not trade or commence operations prior to Admission. RegTech China was incorporated on 8 November 2022 and has been dormant and has not traded or commenced operations since its incorporation, and will not trade or commence operations prior to Admission. RegTech Italy was incorporated on 15 November 2017, and, prior to the Corporate Reorganisation, had traded and undertaken operations since its incorporation. RegTech Italy contributed its entire business and assets to the Company on 14 August 2023 pursuant to the Corporate Reorganisation.

Accordingly, the Historical Financial Information does not present any standalone, unconsolidated financial information on the Company or RegTech China.

Summary Statement of Comprehensive Income

	Audited FY-22 £'000	Audited FY-21 £'000	Audited FY-20 £'000
Continued operations			
Revenue	1,098	1,307	582
Cost of sales	(1,097)	(950)	(737)
Operating profit	1	357	(155)
Administrative expenses	(1,880)	(1,481)	(793)
Other operating income/(expenses)	(75)	206	(107)
Operating loss	(1,954)	(919)	(1,055)
Finance expense	(43)	(11)	(2)
Loss before income tax	(1,997)	(930)	(1,057)
Income tax	504	281	250
Loss for the year	(1,493)	(649)	(807)
Other comprehensive income	(45)	18	(33)
Total comprehensive loss	(1,537)	(631)	(840)
Earnings per share (£) from continuing operations attributable to owners of RegTech Italy			
Basic and diluted	(10.25)	(4.21)	(5.60)

Summary Statement of Financial Position

	Audited FY-22 £'000	Audited FY-21 £'000	Audited FY-20 £'000
Assets			
Intangible	2,963	3,193	2,651
Property, plant & equipment	23	3	56
Deferred tax	1,072	549	273
	4,059	3,744	2,980
Current assets			
Trade and other receivables	727	1,411	1,229
Cash and cash equivalents	3	143	2
Total current assets	730	1,554	1,231
Total assets	4,789	5,298	4,211
Equity			
Share capital	127	127	127
Retained earnings	(2,554)	(1,015)	(388)
Total equity	(2,427)	(888)	(261)
Non-current liabilities			
Financial liabilities - Interest bearing loans and borrowings	12	-	43
Post-employment benefits obligation	224	255	220
Total non-current liabilities	236	255	263
Current liabilities			
Trade and other payables	6,952	5,910	4,110
Financial liabilities - Interest bearing loans and borrowings	28	21	99
Total current liabilities	6,980	5,931	4,209

Total liabilities	7,216	6,186	4,472
Total equity and liabilities	4,789	5,298	4,211

Summary Statement of Cash Flows

	Audited FY-22 £'000	Audited FY-21 £'000	Audited FY-20 £'000
Cash flows from operating activities			
(Loss)/ Profit before tax	(1,997)	(930)	(1,057)
<i>Adjusted for:</i>			
<i>Non-cash adjustments</i>			
Amortisation for intangible	916	726	444
Expense relating to post-employment benefit obligation	52	52	6
Depreciation for PPE	-	63	9
(Increase)/ decrease in trade and other receivables	731	(262)	(165)
Increase in trade and other payables	719	2,062	2,299
Other movement in post-employment benefit obligation	-	-	139
Post-employment benefit paid	(29)	(13)	(2)
Net cash used in operating activities	392	1,698	1,673
Cash flows from investing activities			
Purchase of intangible assets	(526)	(1,427)	(1,691)
Purchase of tangible assets	(19)	12	-
Net cash used in investing activities	(545)	(1,439)	(1,691)
Cash flows from financing activities			
Loans received/(repaid)	17	(115)	10
Net cash generated from financing activities	17	(115)	10
Net increase in cash and cash equivalents	(140)	141	(8)
Cash and cash equivalents at beginning of period	143	2	10
Cash and cash equivalents at end of period	3	143	2

B.2.2 Selected key pro forma financial information

Not applicable. No *pro forma* financial information is included in this Prospectus.

B.2.3 Brief description of any qualifications in the audit report

Not applicable. There are no qualifications in the accountant's report relating to the Historical Financial Information.

B.3 What are the key risks that are specific to the issuer?

- RTOP's business relies heavily on the Orbit Open Platform for revenue growth, and if RTOP fails to continue to grow the revenue attributed to the Orbit Open Platform, its business, results of operations and financial condition could be materially adversely affected.
- If RTOP fails to improve and enhance the functionality, performance, reliability design and security of its Orbit Open Platform in a manner the responds to its customers' evolving needs, its business may be materially adversely affected.
- RTOP cannot be certain that sufficient funding would be available outside of the period of 12 months following the date of this Prospectus (the "**Working Capital Period**") to repay in cash amounts drawn under the Shareholder Facility.
- RTOP's efforts to retain existing customers and acquire new customers may not be successful, which could prevent RTOP from maintaining or increasing its revenue and could negatively affect its business, results of operations and financial condition.
- The features of the Orbit Open Platform may not operate properly or as expected which could detrimentally impact its efficiency.
- RTOP may face significant competition in the OR market and may be unsuccessful in maintaining its position in the regtech market against existing and future competitors in the OR market.
- RTOP's failure to protect its customers' confidential or personal information could damage its reputation and brand, and substantially harm its business, results of operations and financial condition.
- A deterioration in RTOP's brand or reputation or that of its Orbit Open Platform could result in a loss of customers, which would substantially harm its business, results of operations and financial condition.
- RTOP intends to pursue new business opportunities, expand into new geographic markets and introduce its Orbit Open Platform to users in sectors other than the financial services sector, which could prove to be non-cost-effective or otherwise unsuccessful.
- As RTOP's business develops, it will become increasingly dependent on its intellectual property (including trademarks, registered and unregistered design rights, copyrights, patents and trade secrets (as applicable)) ("**IP**"). RTOP's failure in the future to utilise any or all of such IP, or failure to adequately protect, maintain or enforce its IP rights could substantially harm its business and results of operations.

- RTOP may make acquisitions of, investments into and enter partnerships with, complementary and other companies within the broader technology sector, which could divert management's attention, result in operating difficulties, and otherwise disrupt its operations and materially adversely affect its business, results of operations and financial condition, and such acquisitions and investments may result in dilution to the Shareholders.

SECTION C – KEY INFORMATION ON THE SECURITIES

C.1 What are the main features of the securities?

C.1.1 Type, class and ISIN of the securities

The securities for which Admission is sought are Ordinary Shares in the capital of the Company with a nominal value of £0.20 each, which are registered with ISIN GB00BS3BDY00, SEDOL code BS3BDY0 and Tradable Instrument Display Mnemonic ("TIDM") RTOP.

C.1.2 Currency, denomination, par value, number of securities issues and duration

The currency in which the Ordinary Shares are denominated is Pounds Sterling.

The Ordinary Shares have a nominal value of £0.20 each in the capital of the Company, and are in registered form, may be held in either certificated or uncertificated form and title to such uncertificated shares may be transferred by means of a relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (the "CREST Regulations")). There are no shares in issue that are not fully paid.

Following Admission, 60,000,000 Ordinary Shares will be in issue, comprising 60,000,000 Existing Ordinary Shares, all fully paid up. The term of the Ordinary Shares is perpetual.

C.1.3 Rights attaching to the securities

Any new Ordinary Shares will, upon issue, rank *pari passu* in all respects with the Existing Ordinary Shares. All Ordinary Shares have the following rights attaching to them:

- any resolution put to the vote of a general meeting must be decided exclusively on a poll;
- on a poll, every Shareholder who is present in person or by proxy or corporate representative shall have one vote for each share that they hold. A Shareholder, proxy or corporate representative entitled to more than one vote need not, if they vote, use all their votes or cast all the votes in the same way;
- if two or more persons are joint holders of a share, then in voting on any question, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the other joint holders. For this purpose, seniority is determined by the order in which the names stand in the register of Shareholders (the "Register") to be maintained by the Registrar;
- the right to receive dividends on a *pari passu* basis; and
- subject to the Companies Act, if the Company is wound up, the surplus assets after payment of all creditors are to be divided amongst all holders of Ordinary Shares, in proportion to the number of Ordinary Shares held irrespective of the amount paid or credited as paid on any share.

The Company obtained authority from the Shareholders at a general meeting on 18 August 2023, *inter alia*, to allot on a non-pre-emptive basis the Warrant Shares on exercise of the Warrants, and disapplied pre-emption rights in respect of future share issues whether for cash or otherwise.

C.1.4 Relative seniority of the securities in the issuer's capital structure in the event of insolvency

Not applicable. Existing Ordinary Shares do not, and any new Ordinary Shares shall not, carry any rights to participate in a distribution (including on a winding up) other than those that exist under the Companies Act.

C.1.5 Restrictions on the free transferability of the securities

Not applicable. Existing Ordinary Shares are, and any new Ordinary Shares will be, freely transferable and tradable and there are no restrictions on transfer.

Each Shareholder may transfer all or any of their Ordinary Shares which are in certificated form by means of an instrument of transfer in any usual form or in any other form which the Directors may approve.

Each Shareholder may transfer all or any of their Ordinary Shares which are in uncertificated form by means of a 'relevant system' (i.e., the CREST System) in such manner provided for, and subject as provided in the CREST Regulations.

C.1.6 Dividend or pay-out policy

To date, the Company has not declared or paid any dividends on the Ordinary Shares. The Company's current intention is to retain any earnings to finance the operation and expansion of its business activities, and does not expect to contemplate, declare or pay any cash dividends until it has achieved substantial growth and stability of earnings.

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends, at such times (if any) and in such amounts (if any) as the Board determines appropriate and only to the extent legally or contractually permissible. Payments of such dividends will be dependent on the availability of distributable earnings and cash surplus to operational and budgetary requirements. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount of such dividends, if any.

C.2 Where will the securities be traded**C.2.1 Application for admission to trading**

Application will be made for 60,000,000 Ordinary Shares to be admitted to trading on the Main Market of the London Stock Exchange. It is expected that Admission will become effective, and that unconditional dealings in the Ordinary Shares will commence, at 8.00 a.m. on 25 August 2023.

C.2.2 Identity of other markets where the securities are or are to be traded

Not applicable. There is currently no market for the Ordinary Shares. No application has been, or is currently intended to be, made for the Ordinary Shares to be admitted to trading on any other market or exchange other than the Main Market of the London Stock Exchange.

C.3 What are the key risks specific to the securities?

- A Standard Listing affords investors a lower level of regulatory protection than that afforded to investors in companies with listings on the premium segment of the Official List ("**Premium Listing**").
- There is no assurance that the Reference Price will be maintained or increase following Admission.
- Following Admission, TAG will retain a significant interest in, and will continue to exert substantial influence over, the Company through its direct shareholding in the Company and its indirect shareholding in the Company via RegTech Italy. TAG may increase its interests in the capital of the Company without incurring an obligation to make a mandatory offer to all Shareholders so long as it (and any persons acting in concert with it) retains over 50% voting control and its interests may differ from or conflict with those of other Shareholders.
- Shareholders' interests may be diluted by future issues of Ordinary Shares.

SECTION D – KEY INFORMATION ON THE LISTING OF SECURITIES AND THE ADMISSION TO TRADING ON A REGULATED MARKET**D.1 Under which conditions and timetable can I invest in this security?**

Not applicable. There is no offer of securities to the public conditional on, or in connection with, Admission.

Application will be made for 60,000,000 Ordinary Shares to be admitted to a Standard Listing on the Official List. It is expected that Admission will become effective, and that unconditional dealings in the Ordinary Shares will commence, at 8.00 a.m. on 25 August 2023.

D.2 Why is this prospectus being produced?

This Prospectus is being published to allow for Admission of the Existing Ordinary Shares by way of a Direct Listing, and does not constitute an offer or invitation to any person to subscribe for or purchase, or the solicitation of an offer or invitation to subscribe for or purchase, any Ordinary Shares or any other securities of the Company in any jurisdiction.

The Directors, having considered various strategic options, have concluded that the Direct Listing is the most favourable approach for RTOP to accelerate its business strategy and are seeking Admission of the Company's entire issued and to be issued share capital to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange by way of a Direct Listing to:

- create a heightened public profile for RTOP through increased press and media coverage;
- provide access to the capital markets to assist in the growth of RTOP's business in the UK and internationally;
- provide an opportunity to encourage the commitment and incentivise long-term motivation and performance of personnel;
- provide liquidity to Shareholders; and
- provide the possibility of using the Ordinary Shares as consideration for any future acquisitions.

There are no conflicting interests which are material in connection with Admission.

PART II

RISK FACTORS

Any investment in and holding of the Ordinary Shares involves financial risk. Prospective investors in the Ordinary Shares should carefully review all of the information contained in this Prospectus and should pay particular attention to the following risks associated with an investment in RTOP and the Ordinary Shares which should be considered together with all other information contained in this Prospectus. If one or more of the following risks were to arise, RTOP's business, financial condition, results of operations, prospects or the price of the Ordinary Shares could be materially adversely affected, and investors could lose all or part of their investment.

The risks set out below may not be exhaustive and do not necessarily include all of the risks associated with an investment in the Company and the Ordinary Shares. Additional risks and uncertainties not currently known to the Directors or which they currently deem immaterial may arise or become material in the future and may have a material adverse effect on RTOP, its business, results of operations, financial condition, prospects, or the price of the Ordinary Shares.

Prospective investors should note that the risks factors summarised in *Part I – Summary* of this Prospectus are the risks factors that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in RTOP and the Ordinary Shares. However, as the risk factors which RTOP 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 summarised in *Part I – Summary* of this Prospectus but also, *inter alia*, the risks and uncertainties described below.

For the avoidance of doubt, none of the statements made in the risk factors that follow in any way constitutes a qualification of the working capital statement set out in paragraph 13 of *Part XIV – Additional Information* of this Prospectus.

RISK FACTORS ASSOCIATED WITH RTOP'S BUSINESS AND INDUSTRY

RTOP's business relies heavily on the Orbit Open Platform for revenue growth, and if RTOP fails to continue to grow the revenue attributed to the Orbit Open Platform, its business, results of operations and financial condition could be materially adversely affected

RTOP's revenue was £1.1 million in FY-22, £1.3 million in FY-21, and £0.58 million in FY-20.

RTOP's revenue increase of 125% between FY-20 and FY-21 was partly due to a large software sales transaction that accounted for £350,000 in revenue in FY-21, which, if discounted, would have rendered RTOP's revenue at £950,000 in FY-21. Although RTOP's revenue dropped by 15% in headline terms in FY-22, on a like-for-like basis (excluding the exceptional £350,000 cash influx in FY-21) it increased from £950,000 to £1.1 million (equating to a revenue increase of 15%) between FY-21 and FY-22.

Accordingly, the growth on a like-for-like basis of RTOP's revenue may continue at a reduced rate or decline in the future due to a variety of factors, including increased competition by alternative providers of OR tools and solutions, heightened compliance requirements and difficulties sourcing new customers. If any expenses associated with maintaining Orbit Open Platform exceed the Directors' expectations, the overall cost of maintain the Orbit Open Platform may increase and RTOP will experience reduced gross margins and revenue generation, which would have a material adverse effect on RTOP's business, results of operations and financial condition.

RTOP's growth has placed, and will likely continue to place, a strain on its managerial, administrative, operational, financial and other resources. RTOP intends to further expand its overall business and to expend substantial financial and other resources on acquiring and retaining customers, its technology infrastructure, research and development, including investments in the development of new features, sales and marketing, international expansion, and general administration, including public company related expenses. These investments may not result in increased revenue or growth in RTOP's business.

RTOP intends to further expand its overall business by extending the offering of the Orbit Open Platform to other jurisdictions and introducing the Orbit Open Platform to users in industries other than the financial services. The cost of sales apportioned to the Orbit Open Platform may not continue to grow at a level consistent with this growth. RTOP may not generate sufficient revenue to offset the cost of maintaining the Orbit Open Platform. Moreover, if RTOP cannot successfully generate revenue at a rate that exceeds the costs associated with its business, it will not be able to achieve or sustain profitability or generate positive cash flow on a sustained basis and its revenue growth rate may decline. If RTOP fails to continue to grow its revenue, its business, results of operations and financial condition could be materially adversely affected.

If RTOP fails to improve and enhance the functionality, performance, reliability design and security of its Orbit Open Platform in a manner the responds to its customers' evolving needs, its business may be materially adversely affected

RTOP relies on its cloud-based Orbit Open Platform for sale its solutions internationally. The Orbit Open Platform provides customers with a technology platform and solution for businesses to manage their own internal processes. Such technologies are, however, characterised by constant change and innovation, and RTOP expects the regtech sector to continue to evolve rapidly.

RTOP's success has been based on its ability to identify and anticipate the needs of its customers, and to design the Orbit Open Platform in a manner which provides those customers with the tools that they need to identify, measure and govern possible business risks. RTOP's ability to improve its business, results of operations and financial condition will depend in large part on its ability to continue to improve and enhance the functionality, performance, reliability, design and security of the Orbit Open Platform.

RTOP may experience some problems in executing enhancements to the software underpinning the Orbit Open Platform (including code updating, testing and security assessments), which are integral to application lifecycle maintenance. Any failure to effectively implement upgrades or modifications of the Orbit Open Platform could interfere negatively with RTOP's business and operations.

RTOP is in the process of migrating its continuous integration and continuous delivery processes to the Microsoft Azure ("Azure") devops platform to mitigate possible errors and increase the efficiency of delivery processes to the Azure cloud infrastructure.

To the extent RTOP is not able to improve and enhance the functionality, performance, reliability, design, security and scalability of the Orbit Open Platform in a manner that responds to its own or its customers' evolving needs, and to do so in a timely and cost-effective manner, its business, results of operations and financial condition will be materially adversely affected.

RTOP cannot be certain that sufficient funding would be available outside of the Working Capital Period to repay in cash amounts drawn under the Shareholder Facility

Pursuant to the Shareholder Loan Agreement, conditional on Admission, RegTech Italy shall provide the Shareholder Facility of up to £8,000,000 to the Company, drawable at the Company's request, to cover the Group's working capital requirements, comprising: (i) up to £2,000,000 in cash, to be drawn by 1 September 2023, which shall attract a non-compounding interest rate of 10% per annum (calculated on a 360-day basis); (ii) up to £500,000 in cash, to be drawn by 30 September 2023, which shall attract a non-compounding interest rate of 10% per annum (calculated on a 360-day basis); (iii) during the period commencing on 25 August 2023 and ending on 31 March 2024, up to £2,000,000, which may, at the election of the Company, be set-off on a £-for-£ basis against certain payables of the Company (where such payables shall be transferred to RegTech Italy to be settled), and which shall attract a non-compounding interest rate of 5% per annum (calculated on a 360-day basis); and (iv) save to the extent that the Company receives unrestricted cash amounts from the exercise of any outstanding Warrants and/or alternative equity, debt or hybrid financing and such unrestricted cash amounts are in the opinion of the Board sufficient to enable the Company to meet the Group's working capital obligations under the Prospectus Regulation Rules, during the period commencing on 1 October 2023 and ending on 31 December 2024, up to £3,500,000 in cash, which may be drawn by the Company by giving RegTech Italy no less than 20 Business Days' written notice and subject to maximum monthly drawings of £500,000 (until fully drawn), and which shall attract a non-compounding interest rate of 10% per annum (calculated on a 360-day basis). Funds available under the Shareholder Facility are fully

committed as at the date of this Prospectus, and any outstanding conditions to drawdown post-Admission are within the Company's control and/or are customary.

The due date for repayment by the Company of amounts drawn and outstanding under the Shareholder Facility is 31 December 2026 (*i.e.*, outside of the Working Capital Period). Any principal amount (excluding accrued interest) drawn and outstanding on 31 December 2026 shall attract a compounding interest rate of 15% per annum thereafter. The Company is allowed to make voluntary prepayments in cash to RegTech Italy prior to such due date which shall not attract any penalty, and shall consider doing so in due course utilising RTOP's net revenues.

Unless otherwise agreed by RegTech Italy, accrued and unpaid interest outstanding on the principal under the Shareholder Facility shall be paid by the Company to RegTech Italy in instalments on: 1 January 2025; 30 June 2025; 1 January 2026; 30 June 2026; and 31 December 2026.

Should any amounts (principal plus interest) under the Shareholder Facility be outstanding and remain payable on 31 December 2026 (*i.e.*, outside of the Working Capital Period), such that the amounts cannot be paid in cash without the Company being unable to meet the Group's working capital commitments, to the extent that servicing such amount would exceed the amount of RTOP's net revenues, the Directors would look to gain access to additional funding from the capital markets and elsewhere in order to repay such amounts outside of the Working Capital Period, which might have a material adverse effect on RTOP's revenue, overall business, results of operation and financial condition.

RTOP's efforts to retain existing customers and acquire new customers may not be successful, which could prevent RTOP from maintaining or increasing its revenue

If RTOP does not promote and sustain the solutions offered by the Orbit Open Platform and any other OR software which it develops through marketing and other tools, it may fail to retain existing customers or acquire the new customers required to maintain or increase its revenue.

Promoting and positioning RTOP will depend largely on the success of its marketing efforts, effectiveness in attracting customers at appropriate price-points, including in sectors outside of the financial services sector, and RTOP's ability to consistently provide high-quality OR tools and software and a frictionless user experience. RTOP's investments in advertising and marketing may not attract new customers and may not yield the intended return on investment, which could negatively affect its business, results of operations and financial condition.

RTOP's advertising and marketing activities also may fail to attract new customers and to engage its existing customers, which may have a materially adverse effect on its business, results of operations and financial condition. If RTOP's customers are dissatisfied with the quality of the Orbit Open Platform or other OR software offered or the customer service they receive and their overall customer experience, RTOP's customers may stop purchasing its products and search for substitute OR solutions. RTOP's failure to provide its customers with high-quality OR solutions and software for any reason could substantially harm its reputation and brand image, which could undermine new customer acquisition and customer retention and have a materially adverse effect on its business, results of operations and financial condition.

The features of the Orbit Open Platform may not operate properly or as expected which could detrimentally impact its efficiency

Failures in the operation of the Orbit Open Platform could negatively impact RTOP's ability to efficiently govern the internal risk management processes of its customers. The utilisation of technology in the regtech sector is a novel concept and the regulation surrounding the use of technology in the regtech sector is subject to change and there may be future backlash against automated regulation of internal processes.

RTOP's technology solutions are designed to mitigate many of these risks, but if it enables or offers solutions through its Orbit Open Platform that fail to operate as expected, any such failure could have a material adverse effect on its business, results of operations and financial condition.

RTOP may face significant competition in the OR market and may be unsuccessful in maintaining its position in the market against existing and future competitors in the OR market

RTOP believes that it occupies a leading position utilising its Orbit Open Platform to provide solutions to its customers. However, as RTOP's existing regtech business expands in existing and new markets (including the US and, following the commencement of operations and trading of RegTech China following Admission, the Asia Pacific region ("**APAC**")), it will face increased competition and pricing pressure from its competitors, and may not be able to retain its market position.

RTOP's competitors may be better capitalised or better positioned than it to collaborate with enterprises in the financial services sector and other sectors in which RTOP operates, and to invest in or partner with other domestic and international businesses. RTOP believes that companies with a combination of technical expertise, financial resources and regtech experience may pose a significant threat. In particular, if incumbents in the regtech space choose to offer competing services, they may devote greater resources than RTOP has available, have a more accelerated timeframe for deployment, and leverage their existing customer bases and proprietary technologies to provide services or a user experience that customers of RTOP may view as superior.

If RTOP's competitors are more successful in offering regtech solutions, managing internal taxonomies or in attracting and retaining customers than it, its business, results of operations and financial condition may be materially adversely affected.

RTOP's failure to protect its customers' confidential or personal information could damage its reputation and brand, and substantially harm its business, results of operations and financial condition

The Orbit Open Platform collects, maintains, transmits, and stores data about RTOP's customers, including personally identifiable information, as well as other confidential information. RTOP seeks to mitigate the risk of loss or compromise of such data by reliance on industry-standard secure sockets layer (SSL) software to protect the security, integrity and confidentiality of sensitive and confidential information that it and its third-party services providers transmit. Customer data is stored within Azure's structured query language (SQL) database and storage infrastructures, which are heavily encrypted. Access for RTOP personnel to retrieve such data is provided on a need-to-know basis, via personalised accounts on the Azure portal or via a secured virtual private network ("**VPN**"). Moreover, most customers have dedicated infrastructure components and can access their data via the Orbit Open Platform website from a small number of internet protocol addresses. However, such measures may not be entirely effective in protecting sensitive and confidential information, and advances in the technological capabilities of cyber-criminals may result in a whole or partial failure of the Orbit Open Platform, and the loss or compromise of data held on behalf of customers, and the whole or partial failure of the ability to protect such data or other sensitive and confidential information.

RTOP's security measures may not detect or prevent all attempts to breach RTOP's systems, denial-of-service attacks, ransomware attacks, viruses, malicious software, break-ins, phishing attacks, social engineering, security breaches or other attacks and similar disruptions that may jeopardise the security of information store in or transmitted via the cloud-based Orbit Open Platform.

RTOP may not be able to anticipate or prevent all types of attacks. Further, techniques used to obtain unauthorised access to, or to sabotage, systems change frequently, and may not be known until launched against the Orbit Open Platform. In addition, security breaches can also occur as a result of non-technical issues, including intentional or inadvertent breaches by RTOP's employees. These risks may increase over time as the complexity and number of solutions implemented by the Orbit Open Platform increases.

Breach of RTOP's security measures could result in:

- unauthorised access to the Orbit Open Platform, RTOP networks and systems;
- unauthorised access to and the misappropriation of sensitive and confidential customer information;

- deletion or modification of content on the Orbit Open Platform;
- interruption, disruption or malfunction of operations; costs relating to breach remediation, deployment of additional personnel and protection technologies, response to governmental investigations and media inquiries and coverage;
- engagement of third-party experts and consultants; and
- litigation, regulatory action and other potential liabilities.

Any such attacks could have a material adverse effect on RTOP's business, results of operations and financial condition.

A deterioration in RTOP's brand or reputation or that if its Orbit Open Platform could result in a loss of customers, which would substantially harm its business, results of operations and financial condition

Any failure to maintain a consistently high level of customer service or a market perception that RTOP does not maintain high-quality customer service, could materially adversely affect the reputations of RTOP and its Orbit Open Platform, and the number of positive customer referrals that RTOP receives.

Information concerning RTOP or its Orbit Open Platform, whether accurate or not, may be posted on search engines (e.g., Google, Yahoo! and Bing), social media platforms (e.g., Facebook, Instagram, LinkedIn, Twitter, TikTok, and YouTube) or other websites, at any time and may have a disproportionately adverse impact on RTOP, the Orbit Open Platform and could undermine its efforts to attract new customers, which may have a materially adverse effect on its business, results of operations and financial condition.

RTOP intends to pursue new business opportunities, expanding into new geographic markets and introducing its Orbit Open Platform to users in sectors other than the financial services sector, which could prove to be non-cost-effective or otherwise unsuccessful

If RTOP chooses to expand its offering to new geographic markets, develop any new businesses, expand its business continuity management ("BCM") software offering hosted on the Orbit Open Platform by acquiring new technology or solutions or companies in the OR sector, or to enter into joint ventures and strategic partnerships which it believes would be compatible with, adjacent to, or complementary to its existing business and solutions, there can be no guarantee that any such endeavour will succeed or that RTOP will be able to maintain and/or grow its financial performance either at historical or anticipated future levels. Any such initiative that is not favourably received by existing customers could damage RTOP's reputation, and any expansion or alteration of its operations could require significant additional expenses and divert management and other resources, which could in turn negatively affect its results of operations.

If RTOP was to expand into new geographic markets or into new sectors and needed to develop country or sector-specific solutions for such purpose, or if it was to try to reposition an existing solution in existing geographic markets, customers might not accept the suitability of such solution in the new geographic market or sector. Moreover, if RTOP launches but fails to generate satisfactory returns from any such initiative, it could have a material adverse effect on its business, financial condition, results of operations and prospects.

As RTOP's business develops, it will become increasingly dependent on its IP. RTOP's failure in the future to utilise any or all of such IP, or failure to adequately protect, maintain or enforce its IP rights could substantially harm its business and results of operations

RTOP does not currently have comprehensive registered protection for its IP. RTOP's competitors may adopt, service and product names similar to its, thereby impeding its ability to build brand identity in a given market and possibly diluting its brand and leading to brand dilution or customer confusion. In addition, there could be potential trade name or trademark ownership or infringement claims brought by owners of other IP rights. Any such claims, brand dilution or customer confusion related to RTOP's

brands (including its IP) could damage its reputation and brand identity, and substantially harm its business, results of operations and financial condition. By way of mitigation, RTOP has engaged IP experts to define and, following Admission, execute its IP prosecution strategy in a cost-effective and timely manner in relevant jurisdictions.

Litigation or similar proceedings may be necessary in the future to protect, register and enforce RTOP's IP rights, to protect its trade secrets and domain names and to determine the validity and scope of the proprietary IP rights of others. Further, any changes in law or interpretation of any such laws, particularly IP laws, may impact RTOP's ability to protect, register or enforce its IP rights. Any litigation or adverse priority proceedings could result in substantial costs and diversion of resources, and could substantially harm RTOP's business, results of operations and financial condition.

Further, RTOP may decide not to pursue a patent application for an innovation due to the high costs, diversion of management time and publication of the underlying innovation that arises from an application. The loss of RTOP's material IP as a result of any claims or challenges, or the natural expiry of RTOP's IP registrations, could have a material adverse effect on RTOP's business, results of operations and financial condition. Domain names generally are regulated by internet regulatory bodies, and the regulation of domain names is subject to change. Regulatory bodies have and may continue to establish additional top-level domains, appoint additional domain name registrars or modify the requirements for holding domain names. If RTOP loses the ability to use a domain name, it could incur significant additional expenses to market its products within that country, including the development of new branding, which could substantially harm its business, results of operations and financial condition.

RTOP may make acquisitions of, investments into and enter partnerships with, complementary and other companies within the broader technology sector, which could divert management's attention, result in operating difficulties, and otherwise disrupt its operations and materially adversely affect its business, results of operations and financial condition, and such acquisitions and investments may result in dilution to the Shareholders

RTOP will, from time to time, evaluate potential acquisitions of, investments into and partnership opportunities with complementary and other companies within the broader technology sector, though, no such transactions are currently in contemplation.

Any transactions that RTOP enters into could be material to its financial condition and results of operations. The process of acquiring, integrating and working in conjunction with other businesses, brands or technologies could create unforeseen operating difficulties and expenditures, and whilst appropriate due diligence will be undertaken before completing any corporate development activities, there can be no assurances that RTOP will be able to deliver any anticipated benefits from any transaction.

Acquisitions, investments and partnerships involve a number of risks, including, but not limited to:

- diversion of management time and focus from operating RTOP's business;
- use of resources that are needed in other areas of the business;
- implementation or remediation of controls, procedures and policies of the acquired business, brand or technology;
- difficulty integrating or operating alongside the accounting systems, information technology ("IT") systems and operations of the other business, brand or technology;
- co-ordination of product, engineering and selling and marketing functions, including difficulties and additional expenses associated with supporting legacy services and products and hosting infrastructure of the acquired business, brand or technology and difficulty converting the customers of the acquired business, brand or technology into the existing operations of RTOP and contract terms, including disparities in the revenues, licensing, support or professional services model of the acquired business, brand or technology;

- retention and integration of employees from any acquired, investee or partnered business, brand or technology;
- unforeseen costs or liabilities;
- adverse effects on RTOP's existing business relationships with customers;
- adverse tax consequences;
- litigation or other claims; and
- the need to integrate operations across different cultures and languages and to address the particular economic, currency, political and regulatory risks associated with specific countries.

In addition, a significant portion of the purchase price of acquisitions may be allocated to acquired goodwill and other intangible assets, which must be assessed for impairment at least annually.

Further, RTOP may not be able to identify acquisition, investment or partnership opportunities that meet its strategic objectives, or, to the extent such opportunities are identified, RTOP may not be able to negotiate terms with respect to the acquisition, investment or partnership that are acceptable to it.

In the future, if RTOP's acquisitions, investments and partnerships do not yield expected returns or realise anticipated cost savings, synergies or revenue enhancements, it may be required to take charges or impairments to its operating results based on this impairment assessment process, which could materially adversely affect RTOP's business, results of operations and financial condition.

RTOP's business is susceptible to risks associated with international markets and its exposure to these risks will increase as its business continues to expand

In FY-22, the Orbit Open Platform was utilised into 23 countries¹ and RTOP invested in the continued localisation of its Orbit Open Platform into new markets around the world. RTOP intends to continue to expand its global presence, including into new markets. Its international sales and the use of RTOP's regtech solutions in various countries subjects it to risks that it does not generally face with respect to sales within the UK or Europe generally, and Italy specifically. As RTOP enters new geographic markets, it must tailor its services and business model to the particular circumstances of such countries and markets, which can be complex, difficult, costly, divert management and personnel resources and may not yield the anticipated benefits. These risks include, but are not limited to:

- currency exchange rates;
- unreliability of local infrastructure and payment systems;
- greater difficulty in enforcing contracts;
- lack of familiarity and burdens and complexity involved with complying with multiple, conflicting and changing laws in multiple jurisdictions and compliance therewith;
- uncertainty regarding liability for services and content, including uncertainty as a result of local laws and lack of precedent;
- exposure to local economic or political instability, threatened or actual acts of terrorism and security concerns in general;

¹ Austria, Bosnia, Brazil, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, France, Germany, Hungary, Israel, Italy, Luxembourg, Poland, Romania, Serbia, Slovenia, Spain, Sweden, Switzerland, The Netherlands and the UK.

- standards, regulatory requirements, tariffs, export controls and other barriers;
- data privacy laws which may require that customer data be stored and processed in a designated territory;
- difficulties in managing systems integrators and new technology partners;
- differing technology standards;
- lack of appropriate technological and legal infrastructure to support widespread and consistent internet and mobile device usage in those markets;
- potentially adverse tax consequences, including the complexities of foreign value added tax ("VAT") (or other tax) systems;
- difficulties in attracting and retaining qualified employees in certain markets, as well as managing staffing and operations due to increased complexity, distance, time zones, language and cultural differences;
- reduced or uncertain protection for IP rights in some countries; and
- new and different sources of competition.

Any of the above factors may cause RTOP's costs of doing business to increase materially and may also require significant management attention and financial resources. These factors may also slow or prevent the growth of the Orbit Open Platform into new markets or geographic regions. Any negative impact from RTOP's international business efforts could adversely affect its business, results of operations and financial condition.

If any third-party software that RTOP utilises or integrates with contains serious errors or defects, it may lose revenue and market acceptance and may incur costs to defend or settle claims with its customers

Third-party software utilised by RTOP or integrated with its software may contain errors, defects, security vulnerabilities or software bugs that are difficult to detect and correct, particularly when new software is introduced or when new versions or enhancements are released. Should such issues manifest, RTOP's customers may seek significant compensation from directly from it (as opposed to from the third-party software providers) for any losses that they suffer or cease conducting business with RTOP altogether.

Provisions that typically are included in RTOP's agreements with customers that attempt to limit its exposure to claims may not be enforceable or may be inadequate to protect it from liabilities or damages with respect to any particular claim. Even if not successful, a claim brought against RTOP by any of customers would likely be time-consuming and costly to defend and could seriously damage its reputation and brand, making it harder for RTOP to sell its software solutions.

Any of the factors above could have an adverse impact on RTOP's business, results of operations and financial condition.

In addition to direct sales, RTOP relies on its partners to sell the Orbit Open Platform. Any failure by RTOP to sell the Orbit Open Platform or the solutions offered thereon through partners could negatively impact RTOP's business, results of operations, financial conditions and prospects

RTOP sells and markets the Orbit Open Platform to customers indirectly through its partners, which includes intermediaries / resellers worldwide. If intermediaries / resellers are ineffective at marketing or promoting the Orbit Open Platform, RTOP's sales could decline, or it could damage RTOP's brand or reputation.

Any material decrease in the volume of revenue generated by intermediaries / resellers could negatively impact RTOP's business, results of operations, financial conditions and prospects.

RTOP currently relies on Azure for the deployment of its end-to-end digital and automated service model, the Orbit Open Platform, and, from early 2024 onwards, intends on extending that reliance to other major cloud marketplaces (including Amazon Web Services, Google Cloud and Alibaba), and any disruption of or interference with its use of these major cloud marketplaces may negatively affect its ability to maintain the performance and reliability of the Orbit Open Platform which could cause its business to suffer

RTOP currently deploys its Orbit Open Platform through Azure. However, RTOP is currently adapting (and, in some case, re-engineering) its existing Orbit Open Platform modules to be easily downloadable from third-party major cloud marketplaces (including Amazon Web Services, Google Cloud and Alibaba) – a process RTOP expects to complete in early 2024, following which RTOP's cloud-based products are expected to grow in materiality and importance. Consequently, RTOP may in the future be subject to service disruptions as well as failures to provide adequate support for reasons from its third-party major cloud marketplaces that outside of RTOP's direct control.

RTOP expects that in the future it may experience interruptions, delays and outages in service and availability from time to time in relation to such third-party major cloud marketplaces due to a variety of factors, including infrastructure changes, human or software errors, website hosting, disruptions and capacity constraints. The adverse effect of any third-party major cloud marketplaces may be disproportionately heightened due to the nature of RTOP's business and the fact that its customers have low tolerance for interruptions of any duration. The occurrence of any of these factors, or if RTOP is unable to rapidly adapt its existing Orbit Open Platform for download from third-party major cloud marketplaces, and failure to cost-effectively fix such errors or other problems that may be identified, could damage its reputation, negatively affect its relationship with its customers or otherwise harm its business, results of operations, financial condition and prospects.

Failure to invest in and adapt to technological developments and industry trends could harm RTOP's business

RTOP is a technology business which is exposed to rapid technical change, changes in use, changes to customer requirements and preferences, and services employing new technologies and the emergence of new industry standards and practices. RTOP operates in a market with such changes which have the potential to render its existing technology and products obsolete or uncompetitive. To remain competitive, RTOP must ensure continued product improvement, and the development of new markets and capabilities to maintain a pace congruent with changing technology. This added strain may stretch RTOP's capital resources which may adversely impact its revenues and profitability. RTOP's success is equally dependent on the ability to effectively respond and adapt to technological changes and changes to customer preferences, but there can be no assurance that RTOP will be able to effectively anticipate future technological changes or changes in customer preferences, or to effectively respond in a timely manner if such a change is anticipated.

RTOP also relies to a significant degree on the efficient and uninterrupted operation of its IT systems (computer, mobile application and communications systems) and those of third-parties, which have a direct impact on customer engagement, experience and satisfaction. Any internet failure generally, or any failure of existing or future computer or communication systems or software systems, could impair the processing and storage of data and the day-to-day management of RTOP's business.

While RTOP has disaster recovery ("DR") and BCM contingency plans, it has not conducted a full-scale DR and/or BCM test, and if a serious disaster occurred that affected its business, systems or operations, such plans might not be sufficient to enable it to continue or recommence trading without loss of revenue, which could adversely affect RTOP's business, results of operations and financial condition.

Furthermore, RTOP has, from time to time, experienced operational "bugs" in its systems and technologies, which have resulted in order errors. RTOP expects operational "bugs" to continue to occur from time to time due to a combination of one or more of the following:

- electro-mechanical equipment failures;

- computer server or system failures;
- network outages;
- software performance problems; human error; and
- power failures.

RTOP's business will also depend upon ongoing investments in advanced computer and telecommunications technology as well as upon its ability to protect its telecommunications and information technology systems against damage or system interruptions from cyber-attacks, natural disasters, technical failures and other events beyond its control. In order for RTOP to compete effectively and to meet its customers' needs, it must maintain its systems in good working order as well as invest in improved technology. Information security has also become an important issue in recent years as a result of several high-profile losses of data and the growing threat and prevalence of cyber-attacks. Any future breach in the data security of RTOP could have a harmful impact on its business and reputation. A temporary or permanent loss of any of the systems or networks of RTOP could cause significant disruption to its business operation, or damage to its reputation resulting in a loss of revenue and potentially higher costs in the future, which could have an adverse effect on its business, financial condition, results of operations and/or prospects.

RISK FACTORS ASSOCIATED WITH MACRO CONDITIONS AND EVENTS

Fluctuations in exchange rates may adversely affect RTOP's results of operations

RTOP's results are presented in Euro, but RTOP operates internationally and is exposed to exchange rate risk on purchases and sales, as it is exposed to transactional foreign exchange risk because it earns revenues and incurs expenses in a number of different foreign currencies relative to RTOP's functional currency. As a result, RTOP generally hedges its foreign currency exposures across a combination of forwards, swap agreements and spot transactions. However, if RTOP does not adequately hedge its exposure or if the hedges fail, it may be exposed to fluctuations in exchange rates that could harm its business, results of operations and financial condition.

General economic factors, natural disasters, or other unexpected events may adversely affect RTOP's business, financial performance, and results of operations, which are also dependent on worldwide macroeconomic conditions and their impact on customers' demand for internal regtech solutions

Recessionary economic cycles, pandemics, wars, higher interest rates, volatile fuel and energy costs, inflation, levels of unemployment, conditions in the residential real estate and mortgage markets, access to credit, customer debt levels, unsettled financial markets and other economic factors that may affect customer spending or buying habits could adversely affect demand for internal regtech solutions provided by RTOP.

Volatility in the financial markets could also have a negative impact on customer spending patterns. A reduction in customer spending or disposable income may affect RTOP more significantly than companies in other industries and companies with a more diversified product offering. In addition, the various market trends which the Directors anticipate may not develop or at the speed which they expect, which could result in costs and capacity outpacing demand.

Negative national or global economic conditions may also adversely affect RTOP's customers' financial performance, liquidity and access to capital. This may affect their ability to maintain expand organically, and could cause them to raise prices or limit the technology currently offered on the Orbit Open Platform. Economic factors such as increased commodity prices, inflation, higher costs of labour, insurance and healthcare, and changes in or interpretations of other laws, regulations and taxes may also increase the cost of sales, distribution costs and administrative costs, and otherwise adversely affect RTOP's business, results of operations and financial condition.

Any significant increases in costs may affect RTOP's business disproportionately to that of its competitors. Changes in trade policies or increases in tariffs may have an adverse effect on global economic conditions and the stability of global financial markets and may reduce international trade. Natural disasters and other adverse weather and climate conditions, public health crises, political crises, terrorist attacks, war and other political instability or other unexpected events, could disrupt RTOP's operations, internet or mobile networks or the operations of the Orbit Open Platform. If any of these events occurs, RTOP's business, results of operations and financial condition could be adversely affected.

RISK FACTORS ASSOCIATED WITH COMPLIANCE AND REGULATION

Failure to comply with current laws, rules and regulations or changes to such laws, rules and regulations and other legal uncertainties could damage RTOP's business, results of operations and financial condition

RTOP's business, results of operations and financial condition could be adversely affected by changes in or interpretations of existing laws, rules and regulations or the promulgation of new laws, rules and regulations applicable to it and its businesses, including those relating to regtech. As a result, regulatory authorities could prevent or temporarily suspend RTOP from carrying on some or all of its activities or otherwise penalise RTOP if its practices were found not to comply with applicable regulatory or licensing requirements or any binding interpretation of such requirements. Any such changes or interpretations could decrease demand for the Orbit Open Platform, limit marketing methods and capabilities, affect its margins, increase costs or subject RTOP to additional liabilities. For example, there are, and will likely continue to be, an increasing number of laws and regulations pertaining to the regtech space that may relate to liability for information retrieved from or transmitted over the internet, display of certain taxes and fees, online editorial and customer-generated content, user privacy, data security, network and information systems security, behavioural targeting and online advertising, taxation, liability for third-party activities and the quality of services. Furthermore, the growth and development of cloud-based services and digital technology may prompt calls for more stringent regulation and more aggressive enforcement efforts, which may impose additional burdens on online, cloud-based service businesses generally, including RTOP. In particular, RTOP stores some personally identifiable information of its customers and is subject to data protection and privacy regulations, such as the General Data Protection Regulation (EU) 2016/679 ("**GDPR**") and the UK version of GDPR, which is part of UK domestic law by virtue of the EUWA ("**UK GDPR**").

RTOP is subject to anti-bribery and anti-corruption ("**ABAC**") and other international laws and regulations

ABAC laws, including, but not limited to, the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, generally prohibit direct or indirect corrupt payments to government officials and, under certain laws, private persons to obtain or retain business or an improper business advantage.

Although RTOP has policies and procedures in place designed to promote compliance with laws and regulations, which RTOP reviews and updates as it expands its operations in existing and new jurisdictions in order to proportionately address risks of non-compliance with applicable laws and regulations, RTOP's employees, partners or agents could take actions in contravention of its policies and procedures, or violate applicable laws or regulations. As regulations continue to develop and regulatory oversight continues to focus on these areas, RTOP's policies and procedures may not comply at all times with all applicable laws or regulations. In the event RTOP's controls should fail or RTOP is found to not be in compliance for other reasons, RTOP could be subject to monetary damages, civil and criminal monetary penalties, withdrawal of business licences or permits, litigation and damage to its reputation and the value of its business, in particular the Orbit Open Platform.

As RTOP expands its operations in existing and new jurisdictions internationally, RTOP will need to increase the scope of its compliance programmes to address the risks relating to the potential for violations of applicable ABAC laws and regulations. Further, the promulgation of new laws, rules and regulations, or the new interpretation of existing laws, rules and regulations, in each case that restrict or otherwise unfavourably impact the ability or manner in which RTOP conducts its business, could require RTOP to change certain aspects of its business, operations and commercial relationships to

ensure compliance, which could decrease demand for services, reduce revenue, increase costs or subject RTOP to additional liabilities.

RTOP may be subject to general litigation, regulatory disputes, and government inquiries

As a growing business with expanding operations, RTOP may in the future face the risk of claims, lawsuits, government investigations and other proceedings involving competition and antitrust, IP, privacy, customer protection, accessibility claims, securities, tax, labour and employment, commercial disputes, services and other matters. The number and significance of these disputes and inquiries may increase as the political and regulatory landscape changes, as RTOP grows larger and expands in scope and geographic reach, and as RTOP's business operations increase in complexity. RTOP cannot predict the outcome of such disputes and inquiries, and such disputes or inquiries could have an adverse impact on RTOP because of legal costs, diversion of management resources, and other factors.

Determining reserves for any litigation is a complex, fact-intensive process that is subject to judgment calls. It is possible that a resolution of one or more such proceedings could require RTOP to make substantial payments to satisfy judgments, fines or penalties or to settle claims or proceedings, any of which could harm RTOP's business.

Legal proceedings or inquiries could also result in reputational harm, criminal sanctions, consent decrees or orders preventing RTOP from offering certain products or services, or requiring a change in RTOP's business practices in costly ways or requiring development of non-infringing or otherwise altered products or technologies. Litigation and other claims and regulatory proceedings against RTOP could result in unexpected expenses and liabilities, which could have an adverse effect on its business, results of operations and financial condition.

RISK FACTORS ASSOCIATED WITH RTOP'S SENIOR MANAGEMENT AND EMPLOYEES

RTOP's future performance is dependent on the continued services, contributions and performance of its senior management and other key employees to execute on its business strategy and to identify and pursue new opportunities and product innovations and, critically, to engender collaboration in its business, and the loss of any of those people could adversely affect RTOP's business, results of operations and financial condition

The loss of services of senior management or other key employees could significantly delay or prevent the achievement of RTOP's strategic objectives.

RTOP believes that an important contributor to its success has been its small start-up culture, which fosters innovation, teamwork, and entrepreneurship. As RTOP continues to grow, it must effectively integrate, develop, motivate, retain, and manage a growing number of new employees. As a result, RTOP may find it difficult to maintain its collaborative culture, which could limit its ability to innovate and operate effectively. In addition, RTOP's ability to maintain its culture as a public company, with the attendant changes in policies, practices, corporate governance, and management requirements, may be challenging.

From time to time, there may also be changes in RTOP's senior management team resulting from the hiring or departure of executives, which could disrupt its business. RTOP does not maintain key person life insurance policies on any of its permanent staff members, consultants, or Directors. The loss of the services of one or more of those people for any reason could adversely affect RTOP's operations and reputation, and could require significant amounts of time, training, and resources to find suitable replacements and integrate them within RTOP's business and could affect its corporate culture, which could adversely impact its business, results of operations and financial condition.

The materialisation of any of the above risks could affect RTOP's ability to retain and recruit personnel, continue to perform at current levels or execute its business strategy, and its business, results of operations and financial condition may be adversely affected.

Risks relating to managing growth, employee matters and other risks relating to RTOP's business

Growth may place significant demands on RTOP's senior management and resources. RTOP expects to experience growth in the number of its employees and the scope of its operations in connection with the continued development and, in due course, the potential commercialisation of its products. This potential growth will place a significant strain on its management and operations, and RTOP may have difficulty managing this future potential growth. RTOP is highly dependent on its current Executive Directors and their services are critical to the successful implementation of its product development and regulatory strategies. Whilst suitable contracts of employment or engagement are in place including three months' notice periods for all Directors, the loss of the services of any of the Directors and its inability to find suitable replacements could harm its business, results of operations, and financial condition and ability to achieve the successful development or commercialisation of its products.

RISK FACTORS ASSOCIATED WITH THE ORDINARY SHARES

A Standard Listing will afford investors a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing

Application will be made for the Ordinary Shares to be admitted to a Standard Listing on the Official List. A Standard Listing affords investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules.

In particular, as a company with a Standard Listing, the Company will not be required to comply with the requirements of any corporate governance code following Admission. The Company will not be required to give Shareholders the opportunity to vote on any future acquisitions, even if Ordinary Shares are being issued as consideration for such acquisitions, save to the extent shareholder approval is required pursuant to the Companies Act to issue such Ordinary Shares. Similarly, the Company will not be required to comply with the requirements of Chapter 10 of the Listing Rules relating to the announcement and, in some cases, the approval, of significant transactions (as defined in the Listing Rules) and Chapter 11 of the Listing Rules relating to the announcement and, in some cases, the approval, of related party transactions (as defined in the Listing Rules).

There is no assurance that the Reference Price will be maintained or increase following Admission

The Reference Price of £1.00 per Ordinary Share will be the price per Ordinary Share on Admission. Given the absence of any market price history for the Ordinary Shares prior to Admission, investors cannot benefit from information about prior market price history when making their decision to invest, and there can be no assurance that the market price per Ordinary Share will be maintained at the Reference Price or increase following Admission, and may prove to be highly volatile.

Publicly traded securities from time-to-time experience significant price and volume fluctuations that may be unrelated to the operating performance of the companies that have issued them. Moreover, the market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, some of which are beyond RTOP's control, including:

- stock market fluctuations;
- general economic conditions;
- variations in operating results in RTOP's reporting periods;
- any shortfall in revenue or net profit or any increase in losses from levels expected by market commentators;
- increases in capital expenditure compared to expectations;

- failure to make efficiency improvements;
- changes in financial estimates by securities analysts; changes in market valuations of similar companies;
- announcements of significant contract gains or losses, acquisitions, strategic alliances, joint ventures, new initiatives, new products or new product ranges;
- regulatory matters and governmental matters including tax and duty charges;
- additions or departures of key personnel; and
- future issues or sales of Ordinary Shares.

Any or all of these events could result in material fluctuations in the price of Ordinary Shares which could lead to investors getting back less than they invested or a total loss of their investment. A public perception that RTOP is a technology business may result in the price of the Ordinary Shares moving in line with other shares in companies or groups of this nature. Traditionally, the share prices of technology businesses have tended to be more volatile than share prices of those operating in other industries.

Shareholders' interests may be diluted by future issues of Ordinary Shares

Pursuant to the Warrant Instrument, the Company may be required to issue up to a maximum of 7,500,000 Warrant Shares following Admission (equating to a maximum of 12.5% of the share capital of the Company on Admission) on exercise of the Warrants, comprising:

- up to a maximum of 6,000,000 Warrant Shares granted to RegTech Italy and TAG, comprising 2,250,000 Warrants issued to RegTech Italy as a commitment fee in relation to the Shareholder Facility and 3,750,000 Warrants issued to TAG in relation to conversion of historic TAG shareholder loans to the Group; and
- up to a maximum of 1,500,000 Warrant Shares granted to Westcott Hill Capital Limited in relation to pre-Direct Listing business advisory services,

assuming that all Warrants are issued and converted into Warrant Shares on a given date and no additional Ordinary Shares are issued by the Company between the date of Admission and that date.

Only to the extent that such Warrant Shares are issued will there be an associated dilutive effect on the Shareholders in terms of the number of Ordinary Shares in issue and an increase in the Company's total voting rights denominator.

Following Admission, TAG will retain a significant interest in, and will continue to exert substantial influence over, the Company through its direct shareholding in the Company and its indirect shareholding in the Company via RegTech Italy. TAG may increase its interests in the capital of the Company without incurring an obligation to make a mandatory offer to all Shareholders so long as it (and any persons acting in concert with it) retains over 50% voting control and its interests may differ from or conflict with those of other Shareholders

Immediately following Admission, TAG will continue to beneficially own approximately 65% of the issued ordinary share capital of the Company through its direct shareholding in the Company and its indirect shareholding in the Company via RegTech Italy. As a result, whilst the Company, TAG and RegTech Italy have entered into a relationship agreement on 21 August 2023 (the "**Relationship Agreement**"), conditional on Admission, pursuant to which the Company is capable at all times of carrying on its business independently of controlling shareholders (as defined in the Listing Rules) and their associates (as defined in the Listing Rules), TAG (directly and indirectly via RegTech Italy) will continue to possess sufficient voting power to have a significant influence over all matters requiring Shareholder approval, including the election of Directors, approval of significant corporate transactions and delay, deferral or

prevention of a change of control of the Company. TAG's interests, and those of RegTech Italy's, may not always be aligned with those of other Shareholders. In exercising its voting rights, TAG and RegTech Italy may be motivated by interests that differ from those of the other Shareholders and their respective interests and those of their affiliates could conflict with or differ from RTOP's interests.

From Admission, for so long as TAG and RegTech Italy (and any persons acting in concert with them) continue to be interested in Ordinary Shares carrying over 50% of the Company's voting rights, TAG and RegTech Italy (and any persons acting in concert with them) will be free to acquire further Ordinary Shares without incurring any obligation under Rule 9 of the Takeover Code to make a mandatory offer to all Shareholders (subject to the considerations in Note 4 on Rule 9.1 of the Code).

From Admission, for so long as TAG and RegTech Italy (and any persons acting in concert with them) continue to be interested in Ordinary Shares carrying a significant number of the Company's voting rights, even if such amount is less than 50%, TAG and RegTech Italy (and any persons acting in concert with them) will continue to be able to substantially influence or effectively control the Company's ability to enter into any corporate transactions. In particular, the significant ownership and influence of TAG (and any persons acting in concert with it, including RegTech Italy) may: (i) delay or deter a change of control of the Company (including deterring a third party from making a takeover offer); (ii) deprive Shareholders of an opportunity to receive a premium for their Ordinary Shares as part of a sale of the Company; or (iii) affect the liquidity of the Ordinary Shares. This could be the case if investors determine that the Ordinary Shares are not as attractive due to high concentration of ownership and degree of influence by TAG and RegTech Italy (and any persons acting in concert with them), as a result of which demand for the Ordinary Shares may reduce. TAG and RegTech Italy (and any persons acting in concert with them) may also invest in companies and from time to time acquire and hold interests in businesses that compete, directly, or indirectly, with RTOP, and may also pursue acquisition opportunities that may be complementary to RTOP's business and, as a result, those acquisition opportunities may not be available to RTOP.

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

To date, the Company has not declared or paid any dividends on the Ordinary Shares. The Company's current intention is to retain earnings, if any, to finance the operation and expansion of RTOP's business operations and expansion, and does not expect to declare or pay any cash dividends in the foreseeable future. To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends, at such times (if any) and in such amounts (if any) as the Board determines appropriate and only to the extent legally or contractually permissible. Payments of such dividends will be dependent on the availability of any dividends or other distributions from such subsidiaries. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount of such dividends, if any.

Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable

Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile Ordinary Share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares, and the Company can give no assurance that an active trading market for the Ordinary Shares will develop or, if developed, could be sustained following Admission. If an active trading market is not developed or maintained, the liquidity and trading price of the Ordinary Shares could be adversely affected.

Shareholders in the United States of America (the "United States" or "US") and other jurisdictions outside the UK may not be able to exercise their pre-emption rights

The Companies Act and the Company's articles of association (the "**Articles**") provide for pre-emptive rights to be granted to Shareholders on future equity offerings, unless such rights are disapplied by a

Shareholder resolution. However, securities laws of certain jurisdictions outside the UK, including the United States, may restrict the Company's ability to allow participation by Shareholders located in such jurisdictions in future equity offerings unless the Company decides to comply with applicable local laws and regulations and, in the case of Shareholders in the United States, a registration statement under the US Securities Act of 1933, as amended (the "**Securities Act**") is effective with respect to such rights and securities or an exemption from the registration requirements of the Securities Act is available. The Company does not intend to file any such registration statement, and the Company cannot assure prospective US investors that any exemption from the registration requirements of the Securities Act or applicable non-US securities laws would be available to enable US or other non-UK holders to exercise such pre-emptive rights or, if available, that the Company will utilise any such exemption. The holdings of Shareholders located outside the UK who are not able to participate in any future equity offerings could be diluted by any such offerings.

RISK FACTORS ASSOCIATED WITH TAXATION

Application of existing tax laws, rules, regulations or practices are subject to interpretation by taxing authorities, and any amendment to existing tax laws, rules, regulations or practices or enactment of new unfavourable tax laws, rules, regulations or practices could have an adverse effect on RTOP's business and financial performance

The application of the tax laws of various jurisdictions to RTOP's international business activities is subject to interpretation. The taxing authorities of the jurisdictions in which RTOP operates may challenge its methodologies, including its transfer pricing, or determine that the manner in which RTOP operates its business does not achieve the intended tax consequences, which could increase its worldwide effective tax rate and adversely affect its financial position and results of operations. Significant judgment and estimation are required in determining RTOP's tax liabilities.

In the ordinary course of RTOP's business, there are transactions and calculations for which the ultimate tax determination is uncertain or otherwise subject to interpretation. Tax authorities in any of the countries in which RTOP operates may disagree with its intergroup charges, including the amount of, or basis for, such charges or cross-jurisdictional transfer pricing, and assess additional taxes. As RTOP operates in numerous jurisdictions, the application of tax laws of these jurisdictions can be subject to diverging and sometimes conflicting interpretations by tax authorities of these jurisdictions. If taxing authorities were to allocate income to a higher tax jurisdiction, subject RTOP's income to double taxation or assess interest and penalties, it could increase RTOP's tax liability, which could adversely affect RTOP's financial position and results of operations.

Although RTOP believes its tax estimates and methodologies are reasonable, taxing authorities have become more aggressive in their interpretation and enforcement of such laws, rules and regulations over time, as governments are increasingly focused on ways to increase revenues. This has contributed to an increase in audit activity and harsher stances by tax authorities. As such, additional taxes or other assessments may be in excess of RTOP's current tax reserves or may require RTOP to modify its business practices to reduce its exposure to additional taxes going forward, any of which may have an adverse effect on its business, results of operations and financial condition.

Many of the underlying laws, rules or regulations imposing taxes and other obligations were established before the growth of regtech and cloud-based services. RTOP cannot predict the effect of current attempts to impose further taxes on cloud-based services. If such tax or other laws, rules or regulations were amended, or if new unfavourable laws, rules or regulations were enacted, the results could increase RTOP's tax payments or other obligations, prospectively or retrospectively, subject it to interest and penalties, and decrease the demand for its services if it passes on such costs to the customer. In addition, any such new laws, rules or regulations may result in increased costs to update or expand RTOP's technical or administrative infrastructure or effectively limit the scope of its business activities if it decided not to conduct business in particular jurisdictions. As a result, these changes may have an adverse effect on RTOP's business, results of operations and financial condition. In addition, various governments and intergovernmental organisations could introduce proposals for tax legislation, or adopt tax laws, that may have an adverse effect on RTOP's worldwide effective tax rate, or increase its tax liabilities, the carrying value of deferred tax assets, or its deferred tax liabilities. It is possible that jurisdictions in which RTOP operates or does business could enact tax legislation that could adversely

affect RTOP through increasing its tax liabilities which could thereby adversely affect its business, results of operations and financial condition.

Moreover, the tax treatment of the Shareholders, any special purpose vehicle that RTOP may establish and any company which RTOP may acquire, are all subject to changes in tax laws or practices in the UK or any other relevant jurisdiction. Any change may reduce any net return derived by investors from a shareholding in the capital of the Company. Investors should not rely on the general guide to taxation set out in this Prospectus and should seek their own specialist advice. The tax rates referred to in this Prospectus are those currently applicable and they are subject to change.

There can be no assurance that any returns for Shareholders will be in a tax-efficient manner

It is intended that the Company will structure RTOP to maximise returns for Shareholders in as fiscally efficient a manner as is reasonably practicable. The Company has made certain assumptions regarding taxation. However, if these assumptions are not correct, taxes may be imposed with respect to RTOP's assets, or RTOP may be subject to tax on its income, profits, gains or distributions (either on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Directors do not envisage the payment of, at least in the foreseeable future). In addition, RTOP may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

Taxation of returns from assets located outside of the UK may reduce any net return to Shareholders

To the extent that the assets, company or business which RTOP acquires is or are established outside the UK, it is possible that any return RTOP receives from it may be reduced by irrecoverable foreign withholding or other local taxes and this may reduce any net return derived by Shareholders from a shareholding in the capital of the Company.

PART III

DIRECT LISTING AND CONSEQUENCES OF A STANDARD LISTING

Direct Listing

Admission

Admission is expected to take place at 8.00 a.m. on 25 August 2023.

Opening auction and price monitoring extensions

The London Stock Exchange's usual opening auction will occur 10 minutes before Admission.

The London Stock Exchange's usual processes allow for there to be one price monitoring extension after an initial call period.

Further information on London Stock Exchange's price monitoring functionality can be found in London Stock Exchange MIT201 – Guide to the Trading System, available on London Stock Exchange's website at <https://www.londonstockexchange.com/securities-trading/equity-trading>.

Consequences of a Standard Listing

Application will be made for the Ordinary Shares to be admitted to a Standard Listing on the Official List. A Standard Listing affords investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules. An applicant that is applying for a Standard Listing of equity securities must comply with all the requirements listed in Chapter 2 of the Listing Rules, which specifies the requirements for listing for all securities, and there are a number of continuing obligations set out in Chapter 14 of the Listing Rules that will be applicable to the Company.

These include requirements as to:

- the forwarding of circulars and other documentation to the FCA for publication through the national storage mechanism, and related notification to a Regulatory Information Service that is on the list of regulatory information services maintained by the FCA (an "**RIS**");
- the provision of contact details of appropriate persons nominated to act as a first point of contact with the FCA in relation to compliance with the Listing Rules, articles 17, 18 and 19 of Regulation (596/2014), which is part of UK domestic law by virtue of the Market Abuse (Amendment) (EU Exit) Regulations 2019 (SI 2019/310) (the "**UK MAR**") and the Disclosure Guidance and Transparency Rules;
- the form and content of temporary and definitive documents of title;
- the appointment of a registrar;
- RIS notification obligations in relation to a range of debt and equity capital issues; and
- at least 10% of the Ordinary Shares being held in public hands for the purposes of Admission and at all times (noting that as a matter of course a modification will not be granted by the FCA to accept a lower percentage).

The Company will also be required to comply with Listing Principles 1 and 2 as set out in Chapter 7 of the Listing Rules as required by the FCA on an ongoing basis, which will require the Company to:

- take reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations; and

- deal with the FCA in an open and co-operative manner.

In addition, as a company whose securities are admitted to trading on a regulated market, the Company will be required to comply with the Disclosure Guidance and Transparency Rules. In particular, the Company will be required to comply with Chapters 4, 5, 6 and 7 of the Disclosure Guidance and Transparency Rules which are set out in the FCA's Disclosure Guidance and Transparency Rules sourcebook. Premium Listing principles 1 to 6 as set out in Listing Rule 7.2.1AR of the Listing Rules do not apply to the Company. In addition, while the Company has a Standard Listing, it is not required to comply with the provisions of, *inter alia*:

- Chapter 6 of the Listing Rules containing additional requirements for the listing of equity securities, which are only applicable for companies with a Premium Listing;
- Chapter 7 of the Listing Rules, to the extent that the provisions therein refer to the Premium Listing principles;
- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. In particular, the Company is not required to appoint such a sponsor in connection with the Admission;
- Chapter 9 of the Listing Rules containing provisions relating to transactions, including, *inter alia*, requirements relating to future issues of shares, the ability to issue shares at a discount in excess of 10% of market value, notifications and contents of financial information that are not applicable to the Company;
- Chapter 10 of the Listing Rules relating to significant transactions;
- Chapter 11 of the Listing Rules regarding related party transactions. However, pursuant to LR 14.3.25R the Company is obliged to comply with DTR 7.3 (related party transactions) which requires the Company to establish procedures to establish and maintain adequate procedures, systems and controls to enable it to assess whether a transaction or arrangement with a related party is in the ordinary course of business and has been concluded on normal market terms. There is also an announcement obligation for related party transactions of a material size, as more fully described in LR 14.3.25;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

A company with a Standard Listing is not currently eligible for inclusion in any of the FTSE indices, including the FTSE 100, FTSE 250, FTSE 350 and FTSE All-Share, among others. This may mean that certain investors are unable or unwilling to invest in the Ordinary Shares.

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

PART IV

IMPORTANT INFORMATION

General

No representation or warranty, express or implied, is made and no responsibility or liability is accepted by any person, other than the Company and the Directors, as to the accuracy, completeness, verification or sufficiency of the information contained in this Prospectus, and nothing in this Prospectus may be relied upon as a promise or representation in this respect, as to the past or future.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company or the Directors. Without prejudice to the Company's obligations under FSMA, the Prospectus Regulation Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules, the delivery of this Prospectus shall not, under any circumstances, create any implication that there has been no change in RTOP's business or affairs since the date of this Prospectus or that the information contained in this Prospectus is correct as of any time subsequent to its date.

This Prospectus speaks only as of the date hereof. This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Company, the Directors, or any of the Company's advisers or any of their respective affiliates or representatives regarding the Ordinary Shares or any other securities of the Company.

Neither the Ordinary Shares nor any other securities of the Company have been, nor will they be, registered in the United States under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Neither the US Securities and Exchange Commission nor any US federal or state securities commission or regulatory authority has approved or disapproved the Ordinary Shares or any other securities of the Company, or confirmed the accuracy or determined the adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. Other than in the UK, no action has been taken or will be taken to permit the possession or distribution of this Prospectus in any jurisdiction where action for that purpose may be required or where doing so is restricted by law. In the United States, you may not distribute this Prospectus or make copies of it without the Company's prior written consent other than to people you have retained to advise you in connection with this Prospectus. Accordingly, neither this Prospectus nor any advertisement nor any offering or publicity material may be distributed or published in any jurisdiction, other than in the UK, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares or any other securities of the Company, or possession or distribution of this Prospectus or any other publicity materials in any country or jurisdiction where action for that purpose is required. Accordingly, neither the Ordinary Shares nor any other securities of the Company may be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisement in connection with the Ordinary Shares or any other securities of the Company may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such country or jurisdiction.

All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles, which prospective investors should review. A summary of the Articles is set out in paragraph 5 of *Part XIV – Additional Information* of this Prospectus and a copy of the Articles is available for inspection at the Company's registered office at 9th Floor, 107 Cheapside, London EC2V 6DN, United Kingdom (the "**Registered Office**").

Recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.

Data protection

RTOP may delegate certain administrative functions to third-parties and will require such third-parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by RTOP (or any third-party, functionary or agent appointed by RTOP) for the following purposes:

- verifying the identity of any prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering ("**AML**") procedures;
- carrying out the business of RTOP and the administering of interests in RTOP;
- meeting the legal, regulatory, reporting and/or financial obligations of RTOP in the UK or elsewhere; and
- disclosing personal data to other functionaries of, or advisers to, RTOP to operate and/or administer RTOP.

Where appropriate it may be necessary for RTOP (or any third-party, functionary or agent appointed by RTOP) to:

- disclose personal data to third-party service providers, agents or functionaries appointed by RTOP to provide services to prospective investors; and
- transfer personal data to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the UK.

If RTOP (or any third-party, functionary or agent appointed by RTOP) discloses personal data to such a third-party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third-party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third-party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

Presentation of financial information

Prospective investors should consult their own professional advisers to gain an understanding of the financial information contained in this Prospectus. An overview of the basis for presentation of financial information in this Prospectus is set out below.

Historical Financial Information

The Historical Financial Information, comprising the Group's audited financial information for FY-22, FY-21 and FY-20, respectively, included in *Part XII – Historical Financial Information* of this Prospectus has been prepared for inclusion in this Prospectus for the purposes of Admission in compliance with the requirements of the UK Prospectus Regulation, the Listing Rules and IFRS.

The basis of preparation of the Historical Financial Information and the significant accounting policies applied are further explained in *Section B: Historical Financial Information of Part XII – Historical Financial Information* of this Prospectus.

The Company was incorporated on 10 March 2023 and established a permanent establishment in Italy (which is not a separate legal entity) on 20 July 2023. Aside from establishing the Italian permanent establishment and receiving the contribution from RegTech Italy of the Orbit Open Platform and the interests in RegTech China and the transfer of the liabilities of RegTech Italy pursuant to the Corporate Reorganisation which took effect on 14 August 2023, the Company has been dormant and has not traded or commenced operations since its incorporation, and will not trade or commence operations prior to Admission.

RegTech China was incorporated on 8 November 2022 and has been dormant and has not traded or commenced operations since its incorporation, and will not trade or commence operations prior to Admission.

RegTech Italy was incorporated on 15 November 2017, and, prior to the Corporate Reorganisation, had traded and undertaken operations since its incorporation. RegTech Italy contributed its entire business and assets and transferred all its liabilities to the Company on 14 August 2023 pursuant to the Corporate Reorganisation.

Accordingly, the Historical Financial Information does not present any standalone, unconsolidated financial information on the Company or RegTech China, and references to the "Group" in the context of the Historical Financial Information shall mean RegTech Italy only.

None of the Historical Financial Information in this Prospectus has been audited in accordance with auditing standards generally accepted in the US ("**US GAAS**") or auditing standards of the Public Company Accounting Oversight Board ("**PCAOB**"). In addition, there could be other differences between the auditing standards issued by the IASB in the UK and those required by US GAAS or the auditing standards of the PCAOB.

This Prospectus does not contain any financial measures or key performance indicators ("**KPIs**") (including any alternative performance measures ("**APMs**")) that are not defined or recognised under IFRS.

Presentation of other information

Market, economic and industry data

RTOP has obtained certain statistical and market information that is presented in this Prospectus, as set out in *Part VII – Market Overview* of this Prospectus.

Industry publications and market research generally state the provenance or sources of the information they contain. The Directors believe that the information sourced from industry publications and market research in this Prospectus to be reliable, but that the accuracy and completeness of such information is not guaranteed and any estimates or projections they contain are based on a number of significant assumptions.

In some cases, there is no readily available external information (whether from trade and business organisations and associations or other organisations) to validate market related analyses and estimates, requiring RTOP to rely on internally developed estimates.

RTOP does not intend, and does not assume any obligation, to update industry or market data set forth in this Prospectus. Because market behaviour, preferences and trends are subject to change, prospective investors should be aware that market and industry information in this Prospectus and estimates based on any data therein may not be reliable indicators of future market performance or future results of operations.

Where third-party information has been used in this Prospectus, the source of such information has been identified.

RTOP confirms that all third-party information contained in this Prospectus has been accurately reproduced and, so far as RTOP 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. However, while the Directors believe the third-party information included in this Prospectus to be reliable, RTOP has not independently verified such third-party information.

Rounding

The financial and volume information in this Prospectus, including in a number of tables, has been rounded to the nearest whole number or the nearest decimal place. The sum of the numbers in a column in a table may not conform exactly to the total figure given for that column. In addition, certain percentages presented in this Prospectus reflect calculations based on the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based on the rounded numbers. As a result of this rounding, the totals of data presented in this Prospectus may vary slightly from the actual arithmetic totals of such data.

CREST

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

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

Transferability

The Ordinary Shares are freely transferable and tradable and there are no restrictions on transfer.

Information not contained in this Prospectus

No person has been authorised to give any information or make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied on as having been so authorised.

Supplements

If a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Ordinary Shares arises or is noted between the date of this Prospectus and Admission, a supplement to this Prospectus will be published in accordance with the relevant provisions under the UK Prospectus Regulation and Prospectus Regulation Rules.

A supplement to this Prospectus will be subject to approval by the FCA in accordance with Article 23 of the UK Prospectus Regulation, and will be published in accordance with the relevant provisions under the UK Prospectus Regulation. The summary shall also be supplemented, if necessary, to take into account the new information included in the supplement.

Statements contained in any supplement to this Prospectus (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus (or contained in any document incorporated by reference in this Prospectus).

Any supplement shall specify which statement is so modified or superseded and shall specify that such statement shall, except as so modified or superseded, no longer constitute a part of this Prospectus.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to Article 23 of the UK Prospectus Regulation and Rule 3.4 of the Prospectus Regulation Rules, neither the delivery of this Prospectus, Admission nor any subsequent subscription or sale of any Ordinary Shares shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or the Group since the date of this Prospectus, or that the information contained in this Prospectus is correct as at any time subsequent to its date.

Forward-looking statements

This Prospectus includes statements that are, or may be deemed to be, 'forward-looking statements'. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'targets', 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'should', 'could', 'shall', 'plans', 'continues', 'assumes', 'positioned', targets or, in each case, the negative thereof, variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include statements regarding the intentions, beliefs or current expectations of the Directors concerning, *inter alia*:

- RTOP's objectives, acquisition, financing and business strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and
- future deal flow and implementation of active management strategies, including with regard to acquisitions and hedging of foreign currency exposures.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance.

Forward-looking statements contained in this Prospectus apply only as at the date of this Prospectus.

RTOP's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Prospectus.

In addition, even if RTOP's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing and hedging strategies are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective investors should carefully review *Part II – Risk Factors* of this Prospectus for a discussion of additional factors that could cause RTOP's actual results to differ materially, before making an investment decision. For the avoidance of doubt, nothing appearing under the heading "Forward-looking statements" constitutes a qualification of the working capital statement set out in paragraph 13 of *Part XIV – Additional Information* of this Prospectus.

Forward-looking statements contained in this Prospectus apply only as at the date of this Prospectus. Subject to any obligations under applicable law, the Listing Rules, UK MAR, the Disclosure Guidance and Transparency Rules and the Prospectus Regulation Rules, the Directors, RTOP and its advisers undertake no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

No profit forecast or profit estimate

No statement in this Prospectus or incorporated by reference into this Prospectus is intended to constitute a profit forecast or profit estimate for any period.

Currency

Unless otherwise indicated, all references in this Prospectus to:

- **"Pounds Sterling", "pence", "£" or "p"** is to the lawful currency of the United Kingdom;
- **"Euro" and "€"** is to the lawful currency of the EU; and
- **"US\$" or "cents"** is to the lawful currency of the United States.

Unless otherwise indicated, the Historical Financial Information contained in this Prospectus has been expressed in Pounds Sterling. RTOP's functional currency is Pounds Sterling and presents its financial statements in Pounds Sterling.

Times

All times referred to in this Prospectus are, unless otherwise stated, references to the time in London, United Kingdom.

IP

"RTOP", the logo on the front cover of this Prospectus and other marks of the Group appearing in this Prospectus are the property of RTOP. This Prospectus contains additional trade names marks of others, which are the property of their respective owners. Solely for convenience, trademarks and trade names referred to in this Prospectus may appear without the ® or TM symbols.

Interpretation

For the purpose of this Prospectus, **"subsidiary"** and **"subsidiary undertaking"** have the meanings given by the Companies Act, references to a **"company"** shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established, words importing the singular shall include the plural and *vice versa*, and words importing any gender shall include all genders.

Constitution

All Shareholders are entitled to the benefit of, and from the date of their adoption will be bound by, and are deemed to have notice of, the provisions of the Articles.

Governing law

All references to legislation or regulation in this Prospectus are to the legislation of England & Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation in this Prospectus shall include any amendment, modification, supplement, re-enactment or extension thereof.

PART V

EXPECTED TIMETABLE OF PRINCIPAL EVENTS, STATISTICS AND DEALING CODES

Expected timetable of principal events¹

Publication of this Prospectus	22 August 2023
Admission and commencement in unconditional dealings in Ordinary Shares	8.00 a.m. on 25 August 2023
CREST member accounts of TAG and RegTech Italy credited in respect of Ordinary Shares	8.00 a.m. on 25 August 2023

¹ Any changes to the expected timetable will be notified by the Company through an RIS.

Statistics

Reference Price per Ordinary Share on Admission	£1.00
Number of Existing Ordinary Shares	60,000,000
Number of Ordinary Shares in issue on Admission	60,000,000
Maximum number of Warrant Shares ²	up to 7,500,000
Maximum number of Warrant Shares as a percentage of Ordinary Shares to be in issue on Admission ²	12.5%
Existing Cash Balance	£0
Gross Admission Cash Balance ³	up to £2,000,000
Estimated Expenses ^{4 5}	approximately £1,034,135
Net Admission Cash Balance ^{3 5}	approximately £965,865
Estimated market capitalisation of the Company on Admission ⁶	£60,000,000

² Assumes that: (i) no additional Ordinary Shares are issued by the Company; and (ii) the maximum number of Warrants are exercised into 7,500,000 Warrant Shares in aggregate (including 2,250,000 Warrants issued to RegTech Italy as a commitment fee in connection with the Shareholder Facility, 3,750,000 Warrants issued to TAG relating to conversion of historic TAG shareholder loans to the Group and 1,500,000 Warrants issued to Westcott Hill Capital Limited, in each case conditional on Admission).

³ Assumes that the maximum £2,000,000 initial tranche is drawn by the Company under the Shareholder Facility.

⁴ Including any applicable VAT.

⁵ Expenses will be paid by RTOP within 10 Business Days from Admission, borne by RTOP in full and deducted from the Gross Admission Cash Balance, and no Expenses will be charged to any investor by RTOP.

⁶ The estimate given is based on the Reference Price of £1.00 per Ordinary Share on Admission. However, the market capitalisation of the Company at any given time will depend on the market price of the Ordinary Shares at that time.

Dealing codes for Ordinary Shares

ISIN	GB00BS3BDY00
SEDOL code	BS3BDY0
TIDM	RTOP
LEI	21380067ZMA5LECFSL38

PART VI

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE, WEBSITE, ADVISERS AND SERVICE PROVIDERS

Directors	Albert Ganyushin	<i>Chair; Independent Non-Executive Director</i>
	Ian Patrick Halliday-Pegg	<i>Chief Executive Officer; Executive Director</i>
	David Peter Blunt	<i>Independent Non-Executive Director</i>
	Vineeta Manchanda-Singh	<i>Independent Non-Executive Director</i>
	Alessandro Zamboni	<i>Founder; Non-Executive Director</i>
Company Secretary	OHS Secretaries Limited	
	<i>The business address of each Directors and the Company Secretary is at the Registered Office.</i>	
Registered Office	9 th Floor 107 Cheapside London EC2V 6DN United Kingdom	
Website	https://regtechopenproject.co.uk/	
Solicitors to the Company	Orrick, Herrington & Sutcliffe (UK) LLP 107 Cheapside London EC2V 6DN United Kingdom	
Reporting Accountants and Auditors to the Company	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf London E14 4HD United Kingdom	
Registrar	Link Market Services Limited (trading as LINK Group) Central Square 29 Wellington Street Leeds LS1 4D United Kingdom	
Financial Public Relations Adviser	Instinctif Partners Limited 65 Gresham Street London EC2V 7NQ United Kingdom	

PART VII

MARKET OVERVIEW

1 What is "resilience"?

In 2019, the International Organisation for Standardisation ("ISO") implemented ISO 22301, which linked "resilience" to the ability to identify and assess the impact of threats with the potential to cause disruption to business operations and services. Soon thereafter businesses across the globe suffered a series of singular risk events, not least the pandemic triggered by the disease caused by the respiratory virus SARS-CoV-2 and its variants ("COVID-19") and resultant supply-chain disruptions.

2 What is "operational resilience"?

OR refers to BCM initiatives within organisations that focus on the impacts, connected risk appetites and tolerance levels for disruption in delivery of products and services to internal and external stakeholders (such as employees, customers and partners). Such initiatives involve organisations managing their internal and external assessment and monitoring of risks, and execution of controls that, in turn, impact on their workforces, processes, facilities, IT systems and third-parties across certain "risk domains" including, but not limited to: security (cyber and physical); safety; privacy; continuity of operations; and reliability.

3 What is "business resilience"?

Business resilience ("BR") factors in both OR and financing resilience (including liquidity / cash flow management and hedging arrangements).

4 Regulatory landscape

The Basel Committee on Banking Supervision ("BCBS") refers to OR as the ability of an institution to deliver critical operations through disruption. OR enables such an institution to identify and protect itself from threats and potential failures, respond and adapt to, as well as recover and learn from, disruptive events in order to minimise their impact on the delivery of critical operations through disruption.²

The FCA defines OR as the ability to *prevent, adapt, respond, recover, and learn* from operational disruptions, while introducing an element of novelty, namely the assessment of impact and the (intolerable) damage that such disruption could cause for an organisation's clients in the event of an interruption of the services offered.³

In September 2020, the European Commission issued "Digital Operational Resilience Act (DORA)," which was published in the Official Journal of the EU as Regulation (EU) 2022/2554; the legislation will apply from January 2025.⁴

In October 2020, the Board of Governors of the US Federal Reserve System, the US Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency issued an interagency paper on "Sound Practices to Strengthen Operational Resilience".⁵

In March 2021, the Bank of England / Prudential Regulation Authority issued a policy statement on "OR"⁶ and, in March 2022, a supervisory statement on "OR: Impact tolerances for important business services".⁷

² Source: BCBS: Principles for operational resilience; 2021.

³ Source: <https://www.fca.org.uk/firms/operational-resilience>.

⁴ Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52020PC0595>.

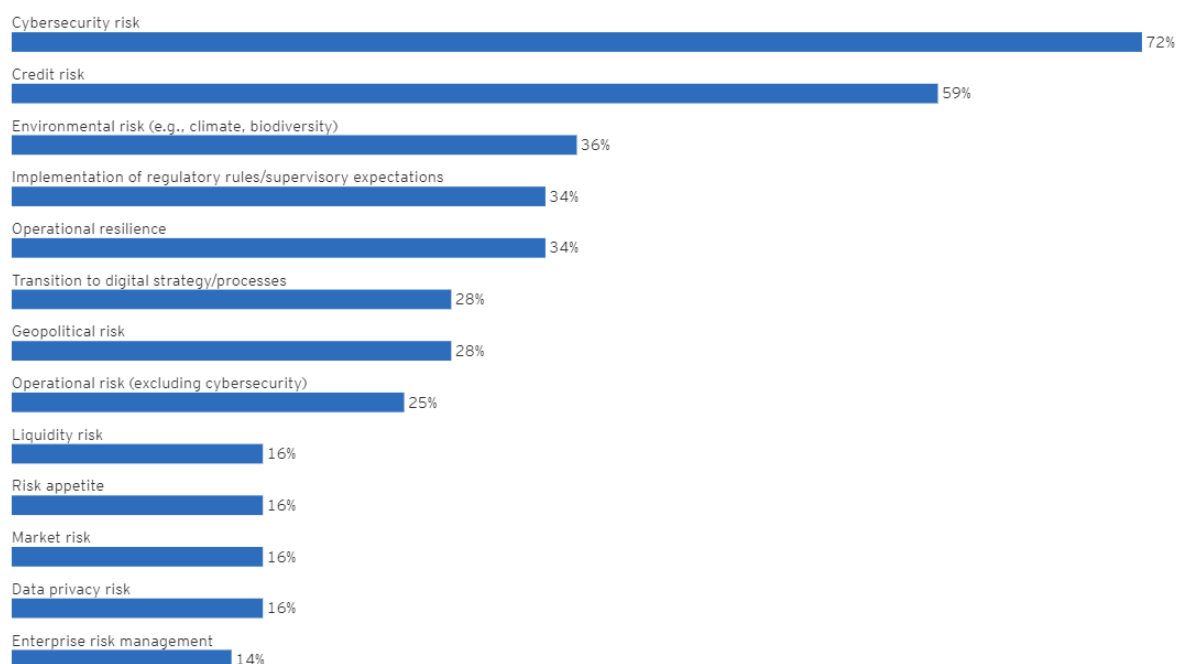
⁵ Source: <https://www.federalreserve.gov/supervisionreg/srletters/SR2024.htm>

⁶ Source: <https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/statement-of-policy/2021/operational-resilience-march-2021.pdf?la=en&hash=908CF0854077E5F466D512BFB904C6EA4503F54B>.

⁷ Source: <https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/supervisory-statement/2021/ss121-march-22.pdf>.

5 Risk priorities of target customers

According to research published by Ernst & Young LLP in January 2023, chief risk officers ("**CROs**") expect to pay the most attention to the following risks in 2023: ⁸



6 Addressable target market

The global data resiliency market is expected to generate a revenue of US\$36.85 billion by 2026, at a 15.8% compound annual growth rate ("**CAGR**") from 2023 to 2026⁹, whilst the global cyber security market was valued at US\$202.72 billion in 2022 and is projected to expand at a CAGR of 12.3% from 2023 to 2030. The factors driving the projected growth of the target market include the increasing number of cyber-attacks with the emergence of e-commerce platforms, deployment of cloud solutions, and proliferation of smart devices and "internet of things" technologies. Accordingly, organisations are increasingly expected to adopt and deploy advanced cyber security solutions to detect, mitigate, and minimise the risk of cyber-attacks, thereby driving the market growth.

The global BCM market is estimated to generate US\$536 million in 2022, and is expected to advance at a CAGR of 15.35% during 2022-2030, to reach US\$1,673 million by 2030. That expected growth is primarily ascribed to the surging dependence on digitisation, integration of cutting-edge technology, increasing IT spending, growing adoption of BCM solutions in small and medium-sized enterprises ("**SMEs**"), and raising operational risks in organisations.¹⁰

The operational risk management ("**ORM**") solutions market size is expected to grow from US\$1,656.4 million in 2021, at a CAGR of 9.4% from 2021 to 2028, to US\$3,098 million by 2028.¹¹

⁸ Source: 12th annual EY/IIF global bank risk management survey; https://www.ey.com/en_gl/banking-capital-markets/how-bank-cros-are-responding-to-volatility-and-shifting-risk-profiles.

⁹ Source: <https://www.globenewswire.com/en/news-release/2022/11/24/2562313/0/en/Data-Resiliency-Market-is-expected-to-generate-a-revenue-of-USD-36-85-Billion-by-2026-Globally-at-15-8-CAGR-Verified-Market-Research.html#:~:text=As%20per%20the%20deep%20research,15.8%25%20from%202019%20to%202026>.

¹⁰ Source: <https://www.prnewswire.co.uk/news-releases/business-continuity-management-market-to-surpass-1-673-million-value-in-2030--says-ps-intelligence-301727888.html>.

¹¹ Source: <https://biz.crastr.net/operational-risk-management-solutions-market-forecast-to-2028-covid-19-impact-and-global-analysis-by-deployment-and-enterprise-size/>.

PART VIII

ABOUT RTOP

1 Overview

RTOP is a technology business specialised in regtech that has developed the Orbit Open Platform, an award-winning proprietary software platform focussed on OR, which helps its customers navigate an increasingly complex regulatory landscape, maintain a secure and stable operating environment, whilst improving compliance with applicable regulations and standards, and reducing the risk of business disruptions.

The Orbit Open Platform is a cloud-based SaaS solution that offers a suite of modules and features enabling businesses to achieve OR more efficiently and effectively. By leveraging the cloud, the Orbit Open Platform is able to offer flexibility, scalability, and easy access for businesses of all sizes, sectors and geographies.

RTOP has designed and built the Orbit Open Platform with user-experience in mind, such that the dashboard interfaces and report-based outputs are customised to the requirements of, and may be integrated with third-party software adopted by, its respective customers, the majority of which rely on the Orbit Open Platform to model their business risk assessments, develop strategies for business continuity, plan and implement OR exercises, and to manage real-world incidents and crises.

RTOP currently has over 1,000 daily users from 19 customers of the Orbit Open Platform principally in the financial services sector, including four significant Italian-headquartered banks, and other sectors (including, insurance, manufacturing, public administration and telecommunications) across three key geographies (Europe, the Middle East and South America).

2 History and development

The following table illustrates certain key milestones in the history of RTOP:

Year	Key events
2005	Creation of BCM solution (under eSolutions Europe Limited ("eSolutions")).
2006	Client acquisitions: Banco Monte dei Paschi di Siena; BPER; and Sanpolo IMI.
2008	Client acquisition: UniCredit Group.
2010	- Transfer of BCM solution from eSolutions Europe to ADFOR S.p.A. - Relationship formed with ABI Lab, the Research and Innovation Centre of the Italian Banking Association ("ABI Lab").
2013	Beginning of exploration of foreign markets (Middle East).
2017	RegTech Italy was founded by TAG on 15 November 2017.
2018	- Client acquisition: Mediobanca. - Entry into Reseller Agreement with GBM for Middle East.
2019	- Client acquisitions: Emirates Steel (UAE); Regione Lombardia (Italy). - RegTech Italy entered into an Italian law governed agreement for the sale and purchase of a business unit focussed on BCM and the associated Orbit Open Platform from Tibro S.r.l. (previously Orbit Italy S.r.l.) ("Tibro"), on 30 December 2019 (the "Orbit Open Platform Acquisition Agreement").
2021	- RegTech Italy was recognised as one of the 17 "Recognised Vendors" in Gartner's "Market Guide for BCM Program Solutions". - Client acquisition: TIM Brazil (South America).
2022	RegTech Italy and Pricewaterhouse Coopers Business Services S.r.l. ("PwC") entered into an Italian law governed joint business relationship agreement on 4 February 2022 (the "PwC JBR") to collaborate in marketing the Orbit Open Platform in Italy (note that following the completion of the Corporate Reorganisation on 14 August 2023, it is expected that the PwC JBR will be assigned to the Company shortly following Admission, and in the interim the Company and RegTech Italy have agreed to procure that the RegTech Italy Services shall continue to be provided pursuant to the PwC JBR).

- RegTech Italy and Summer Atlantic Capital Limited ("**SAC**") entered into an English law governed advisory agreement, dated 7 December 2022, which was novated to the Company on 14 August 2023 (the "**SAC Advisory Agreement**").
- Pursuant to the Corporate Reorganisation, RegTech Italy contributed the Orbit Open Platform to the Company on 14 August 2023.

3 Mission statement

RTOP's mission is to be the "blitz-scaling"¹² regtech business, offering the most comprehensive end-to-end specialised OR management software via the Orbit Open Platform – its proprietary business-to-business SaaS platform – and targeting high gross margins, built on a recurring-revenue business model which leverages the cloud adoption curve in each geography served.

4 Orbit Open Platform

Overview

The Orbit Open Platform provides a range of modules to help financial institutions and corporate clients operating in various sectors to manage their OR risks, and implement best-practices in compliance with applicable regulatory requirements.

The Orbit Open Platform is designed to be scalable, flexible, and reliable, and can be configured to meet the specific needs of different organisations. It can also be integrated with third-party software systems.

In recent years, the Orbit Open Platform, has been augmented with modules which cover roughly 80% of an OR framework, making it a popular choice for organisations looking to booster their resilience capabilities.



¹² Source: Reid Hoffman and Chris Yeh; 2018 (<https://www.blitzscaling.com/>).

Existing modules

- **Centralised Data & Taxonomy Management:** this module allows the users to manage multi-level and high-relation taxonomic information supporting the other modules of the platform. Furthermore, it is possible to easily browse and edit specific information and relationships among data.
- **Incident Management:** this module is designed to ensure that organisations have effective processes and procedures in place to identify, respond to, and recover from incidents that may disrupt their operations. For each incident, the module supports customers in identifying the scope of the processes involved.
- **Crisis Management:** this module enables users to manage planned activities in response to specific incidents. It details the standard operating procedures to be employed in the event of various crises, which players are to be involved and at what junctures, and the internal and external communication strategy to be employed by the relevant organisation. The business continuity team at the relevant organisation receive constant updates from the software on how the process to restore operations is performed. During a crisis, the software records corrective actions needed to refine and update the business continuity planning ("**BCP**") of the relevant customer.
- **ORM (operational risk management):** this module is designed to help organisations build robust and effective risk management processes, enabling customers to identify, assess, and manage operational risks in a proactive and systematic manner. By leveraging tools such as risk self-assessment, lost data collection, issue tracking, and reporting, customers can develop and implement effective strategies, helping to enhance their OR and reduce the likelihood and impact of operational disruptions.
- **BCP & DR:** this module is designed to help organisations prepare for and respond to serious disruptions impacting on operations. The BCP module helps customers to develop and implement plans to maintain or quickly resume critical business operations in the event of a disruption, and includes tools to help identify critical business functions and processes (Business Impact Analysis), assess risks (Risk Impact Analysis), and develop strategies for maintaining or restoring those functions and processes (BCP). The DR module focusses on recovering IT systems and infrastructure after a disruption, and helps customers to develop strategies for minimising the impacts on IT systems and infrastructure.
- **Learn & Continuous Improvement:** this module includes performance metrics that allow organisations to track progress over time. These metrics may be based on KPIs and can help customers and their personnel to identify areas for improvement and measure the impact of training and development initiatives.
- **Scenario Testing:** this module enables organisations to plan and runs exercises to assess the effectiveness of their emergency plans. During an exercise, it is possible to define the scope (with the "What-if" rule) and the planned date. Once the exercise has commenced, all of a customer's users in can input the result of the actions assigned and suggest corrective actions and points for improvement.
- **Emergency Mass Notification:** this module¹³ allows organisations to create and manage groups of contacts, such as employees, customers, or stakeholders, and set up rules for when and how to contact them during emergencies. The system can integrate with various data sources to trigger notifications automatically when a predefined threshold is exceeded. In addition to emergency notifications, this module offers features such as location tracking, message templates, and two-way communication capabilities. The location tracking feature can help customers identify the exact location of an emergency and send notifications to people in the affected area. The message

¹³ Source: <https://www.everbridge.com/products/mass-notification-and-incident-communications/>

templates feature allows customers to create pre-defined message templates for different types of emergencies, saving time during critical situations. The two-way communication feature allows recipients to respond to messages, providing critical information to the customer in real-time.

5 Geographical coverage, sector focus and customers

RTOP's customer base consists primarily of companies in the financial services sector, and the Orbit Open Platform is currently available in three key geographies (Europe, the Middle East and South America).

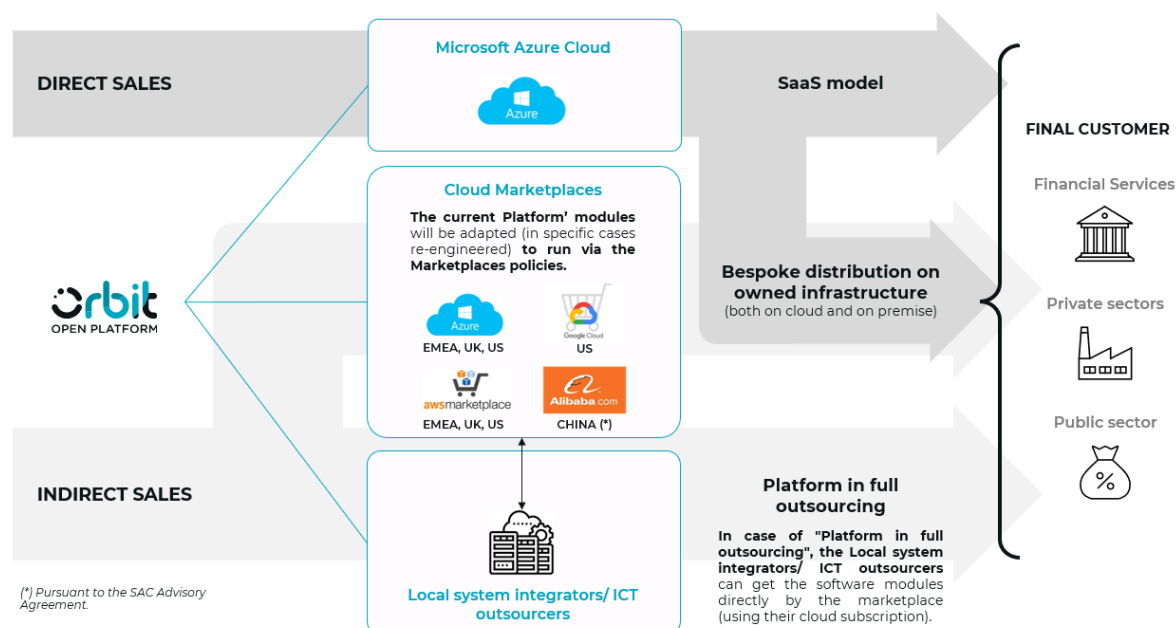
Sectors	Geographies					
	Europe		Middle East		South America	
	Customers	Daily users	Customers	Daily users	Customers	Daily users
Financial Services	14	+700	-		0	
Private	1	+300	1	+20	1	+40
Public	2	+20	-		0	

6 Sales

Software distribution model

RTOP aims to position its Orbit Open Platform as the state-of-the-art software in OR, leveraging the success of its current suite of BCM modules.

RTOP has two different sales channels: direct and indirect (via intermediaries / resellers).



Direct sales channel

The majority of RTOP's sales are generated by its internal sales force, which promotes adoption of the Orbit Open Platform, and up-sells and cross-sells existing BCM modules, and third-party tools (e.g., the Emergency Mass Notification Tool provided by Everbridge Europe Limited ("**Everbridge**") and professional services (e.g., PwC Services) on an approximately three-month long sales cycle for existing customers, and approximately six-month long sales cycle for new customers (which depends on the requirements of the customer and their user-base, whether and how product presentations, demonstrations, proof of concepts, and supplier references / qualifications are required).

Indirect sales channel

RTOP also relies on intermediaries / resellers to sell and market its products. In FY-22, RTOP's largest indirect sales channels accounted for approximately 3% of revenue and, as at the date of this Prospectus, RTOP has over six active partners that operate worldwide. Those partners act as force multipliers to increase brand visibility and sales for RTOP and assist it in penetrating markets.

Strategic alliances

RTOP has strategic alliances with:

- **PwC** – where, pursuant to the PwC JBR, PwC and the Company (following the novation of the PwC JBR to the Company) agreed to collaborate in the proposition of the Orbit Open Platform to the banking and financial market in Italy, further details of which are set out in paragraph 18.1 of *Part XIV – Additional Information* of this Prospectus; and
- **SAC** – where, pursuant to the SAC Advisory Agreement, SAC was appointed as an adviser to provide the Company (following the novation of the SAC Advisory Agreement to the Company) with market access and financial advisory services, further details of which are set out in paragraph 18.2 of *Part XIV – Additional Information* of this Prospectus.

Commercial partnerships

RTOP has commercial partnerships in the ordinary course of business with:

- **Everbridge** (<https://www.everbridge.com/uk/>) – where, pursuant to an English law governed reseller agreement between the Company (following the novation of such agreement to the Company) and Everbridge, dated December 2021, the Company cross-sells Everbridge's core services (including, but not limited to, the Emergency Mass Notification module referred to in paragraph 4 of this *Part VIII – About RTOP* of this Prospectus) globally, with exclusivity in Italy, Brazil, Kuwait, Bahrain, the United Arab Emirates, Qatar and Oman, for a low double-digit percentage commission fee; and
- **SCAI Puntoit S.r.l. ("SCAI")** (<https://www.grupposcai.it/en/>) – where, pursuant to an Italian law governed opportunity teaming agreement between the Company (transferred from RegTech Italy) and SCAI, dated November 2021, SCAI agreed to sell BCM modules and services provided by RegTech Italy amongst a limited list of customers, for a high double-digit percentage commission fee payable.

Other channels

RTOP has referral relationships in the ordinary course of business (which were transferred to the Company on 14 August 2023 pursuant to the Contribution Agreement) with, *inter alia*:

- **The Business Continuity Institute** (<https://www.thebci.org>), to ensure RTOP's personnel a continuous learning and training on BCM trends and topics in order to keep the BCM modules of the Orbit Open Platform. This partnership guarantees visibility which is also an integral part of RTOP's marketing strategy; and
- **ABI Lab** (<https://www.abilab.it/>), pursuant to which RTOP is entitled to participate in dedicated sessions and roundtables hosted by ABI Lab on BR topics. In FY-22 and FY-21, RTOP leveraged the competency of its partnership with ABI Lab to draft the methodological review on OR for the financial sector (publication scheduled for the second quarter of 2023).

7 RegTech China

RegTech China has been dormant and has not traded or commenced operations since its incorporation, nor will it trade or commence operations prior to Admission. However, the Directors believe that the PRC and APAC provide a significant growth opportunity for RTOP, in particular given the relative maturity of the Americas and EMEA regions, relative to the PRC and APAC, and the fact that almost half of the world's digital payment transactions are expected to occur in APAC in 2023 (growing at a CAGR between 2021-2023 in APAC of 16%, relative to just 2% in the Americas and 8% in EMEA)¹⁴, and it is expected that RegTech China will begin to trade and commence operations following Admission.

On incorporation, RegTech China was granted a business operating licence by PRC authorities. Following Admission, RegTech China will immediately apply for ordinary course operating licences from various other APAC governments to commence operations and the Directors expect those to be received from the relevant authorities in an expeditious manner, not least given the track record of RTOP having received similar ordinary course operating licences in other geographies without delay, the prior adoption of its suite of software modules by reputable financial institutions in other geographies and involvement of SACC, a highly experienced operator in the PRC and APAC, following which RegTech China will seek to enter into commercialisation agreements with one or more regtech marketplaces that are active in the PRC and APAC. It should also be noted that, prior to commencement of trading and business operations of RegTech China, RegTech Italy has been implementing product (i.e., software module) localisation activities for APAC and PRC, and such product and related know-how may be shared with RegTech China in due course. The Directors also note that PwC has a go-to market (sales) team in PRC, which, by virtue of the PwC JBR, will be able to market RegTech China's products immediately upon receipt of the necessary operating licences from the PRC and various other APAC governments following Admission.

Further details of the RegTech China JVA and the Platform Service Agreement are set out in paragraphs 18.3 and 18.4, respectively, of *Part XIV – Additional Information* of this Prospectus.

8 Team

The table below provides an overview of the average numbers of permanent employees RTOP employed; these numbers are measured in full-time equivalents of RTOP's employees ("FTEs"):

	FY-22	FY-21	FY-20
Total number of FTEs	19	24	26

The majority of RTOP's employees operate in smart working mode as specified in "*Informativa di applicazione del lavoro agile ex art.2, co.1, letter, DPCM 08/03/2022*".

Labour laws in the jurisdictions in which RTOP operates generally provide minimum standards regarding annual paid and unpaid leave, sick leave, maternity leave and other provisions regarding leave from work, severance pay, pension contributions and other terms of employment.

None of RTOP's team members are represented by a labour organisation or union or covered by collective bargaining agreements.

RTOP is not as at the date of this Prospectus experiencing, nor has it previously experienced, a labour-related work stoppage.

The Directors believe that one of the key reasons for RTOP's success is its people, and that the future success of its business will depend, in part, on its ability to continue to attract, retain and motivate highly qualified creative, technical and managerial personnel for whom competition is intense, and that personnel achieve appropriate technical skills to improve business performance and foster innovation.

¹⁴ Source: <https://assets.kpmg.com/content/dam/kpmg/ie/pdf/2023/02/ie-regtech-potential.pdf>

To date, three employees have achieved certification at the Business Continuity Institute ("Associate Member Business Continuity Institute" level) and RTOP plans to continue investing in training, such that its personnel can obtain necessary certifications.

9 Competitive landscape

OR has become increasingly important to CROs globally given recent market unpredictability, and was recently cited as having entered into their "top 10 priorities".¹⁵ However, the global OR market remains highly fragmented, comprising several international players, ranging from niche operators (e.g., Fusion Risk Management, Infinite Blue and SmartTech247 Group) to large global technology companies (e.g., Workiva, and ServiceNow). Many of the smaller players look to innovate in order to achieve a long-term competitive advantage. This fragmentation may present potential acquisition opportunities for RTOP. Providers of OR solutions also tend to be focussed on DR and cyber-risk management. Generic solutions provided to cover those areas provide limited solutions for customers.

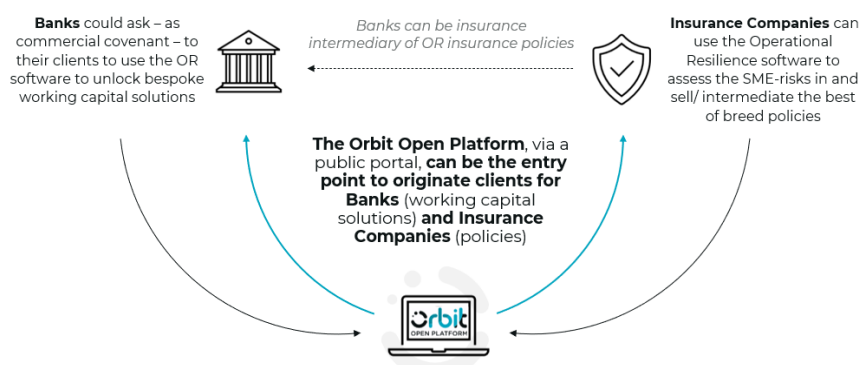
By contrast, the Directors believe that RTOP provides a more comprehensive approach to the provision of software solutions than its competitors, and the rapid deployability of, and service management support offered by RTOP in respect of the Orbit Open Platform has secured RTOP a competitive advantage over other providers of OR solutions. RTOP attributes this competitive advantage as the primary reason for its high customer retention over the last few years. The Directors also view the potential contribution to the scalability of RTOP's software solutions provided for by its strategic alliances, commercial partnerships and other channels (as detailed in paragraph 6 of this *Part VIII – About RTOP* of this Prospectus) together with its significant addressable target market (as detailed in paragraph 6 of *Part VII – Market Overview* of this Prospectus) as a clear advantage over its competitors.

10 Recent trends

The increasing popularity of cloud-deployed regtech is an important market trend for RTOP as the Orbit Open Platform is primarily deployed via Azure, a major cloud marketplace, providing customers with an efficient remote regulatory solution that appeases internal risk and compliance concerns.

Since early 2022, the Directors have begun to observe a trend amongst corporate customers (in particular, SMEs) related to the shift from OR to a broader awareness of BR. Specifically, the Directors have noted an increase in the number of financial services sector customers and a notable correlation with the increasingly strict regulatory requirements regarding the use of information and communications technology ("ICT") partners to guarantee business continuity. This increase in awareness of BR may be partially due to COVID-19, heightened risks associated with remote working and the associated need to improve OR via new risk management methodologies.

Customers, particularly banks, can offer their SME clients to the Orbit Open Platform as a helpful OR tool to assess their BR maturity level, and insurance companies can offer their clients the use of the Orbit Open Platform as an OR simulator and, accordingly, curate a customised bundle of insurance policies to offer each such client.



¹⁵ Source: 12th annual EY/IIF global bank risk management survey; https://www.ey.com/en_gl/banking-capital-markets/how-bank-cros-are-responding-to-volatility-and-shifting-risk-profiles.

11 Strategy

11.1 Pre-Admission

Over five years have been spent developing RTOP's unique suite of BCM modules and high-quality portfolio of clients, with limited marketing and sales efforts.

RTOP has invested its time and resources into advancing the Orbit Open Platform.

11.2 Post-Admission

The Directors will seek to achieve value creation and growth post-Admission by:

- extending the offering of the Orbit Open Platform to other jurisdictions, in particular, the UK, US and – by commencing RegTech China's trading activities and operations – the PRC and APAC;
- deploying the Orbit Open Platform service model via additional major cloud marketplaces (including Amazon Web Services, Google Cloud and Alibaba) from early 2024 to scale the business rapidly;
- making strategic investments in sales and marketing operations, including automation, digital marketing and an international direct sales team;
- leveraging research and development activities on new technologies for process optimisation;
- establishing strategic partnerships (in particular with banks, insurance and professional services firms), thereby unlocking new sales channels in order to boost RTOP's customer base; and
- making targeted opportunistic acquisitions to augment the Orbit Open Platform offering, in particular "Third-party Risk" and "ICT & Cyber Risk" modules, in order to provide customers with a more comprehensive OR framework, and to enable them to better manage and respond to operational disruptions, ensuring continuity of business operations and minimise potential negative impacts.

12 Current trading and prospects

In FY-22, the Orbit Open Platform was utilised into 23 countries¹⁶ and RTOP invested in the continued localisation of its Orbit Open Platform into new markets around the world.

RTOP is carrying out various commercial initiatives, not only in the financial sector, but with particular attention to the insurance, telecommunications and manufacturing sectors. These initiatives are carried out both directly through the identification of new prospects and through the sales channels of the partners. In FY-22 and FY-21, those commercial initiatives resulted in new contracts, including with four significant Italian-headquartered banks. These contract wins are reflected in the revenue growth for these financial periods.

COVID-19 accelerated RTOP's business growth due to the growing awareness of the need to address operational resiliency beyond the financial sector, as well organisations' accelerated journey to the cloud as a result of, *inter alia*, increased remote working.

Post Admission, the Directors believe that the Orbit Open Platform is well placed to continue to build OR market share as more organisations accept the need to manage the risks affecting them.

¹⁶ Austria, Bosnia, Brazil, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, France, Germany, Hungary, Israel, Italy, Luxembourg, Poland, Romania, Serbia, Slovenia, Spain, Sweden, Switzerland, The Netherlands and the UK.

13 IP

RTOP has engaged IP experts to define and, following Admission, execute its IP prosecution strategy in a cost-effective and timely manner in relevant jurisdictions.

RTOP's general approach where possible is to require any contracts relating to such work to include provisions relating to confidentiality and specifying that any rights subsisting in such IP shall be the property of RTOP or, if such specification is not effective, that the relevant third-party shall transfer any such rights to RTOP. Additionally, RTOP's standard employment contracts contain provisions to this effect.

14 Insurance

RTOP shall maintain insurance policies covering a range of risks including, *inter alia* and where applicable, business interruption, terrorism, injury to employees, cyber and tech liability, marine, travel, damage to property and advertising production insurance, as well as coverage against general liability claims that may arise through the course of RTOP's normal business operations.

RTOP engages an insurance broker to advise on the necessary types and levels of coverage, and continually reviews its coverage and consults with its insurance broker at least annually. RTOP also shall maintain other insurance policies to cover other risks relating to its business, such as (where applicable) director and officer cover.

The Board believes that the above insurance coverage, including the excesses, maximum coverage amounts and terms and conditions of the policies, would be standard for RTOP's industry and will be appropriate.

15 Legal and regulatory environment

RTOP is subject to laws and regulations in the jurisdictions in which it operates that affect companies conducting business on the internet (including in relation to customer protection, unfair and deceptive practices, ABAC, antitrust and competition, economic and trade sanctions, tax, accounting standards, distance selling, privacy, data protection, IP, distribution and export controls, electronic contracts and other communications, competition, protection of minors, telecommunications, advertising, taxation, economic and other trade prohibitions or sanctions, and online payment services).

RTOP's activities involving the use of consumer data are subject to consumer protection and data protection law and regulations (including GDPR and UK GDPR) and, in many of the jurisdictions in which it operates, such consumer protection and data protection laws and regulations have increased in recent years.

On incorporation, RegTech China was granted a business operating licence by PRC authorities. Following Admission, RegTech China will commence operations and trading in the PRC. Under mainland PRC laws and regulations, RegTech China will be required to obtain an ordinary course Value-added Telecommunications Business Operating Licence in advance of providing internet information services in the PRC, and equivalent ordinary course licences will need to be obtained in other APAC jurisdictions pursuant to applicable laws and regulations.

RTOP's post-Admission strategy, as detailed in paragraph 11.2 of this *Part VIII – About RTOP* of this Prospectus, includes extending the offering of the Orbit Open Platform to clients in the UK and other jurisdictions. It should be noted that the modules on the Orbit Open Platform facilitate clients' operational resilience policy management and support their compliance activities (e.g., providing automated data recall / information collation in the event of an audit request by a regulator/supervising authority; push notifications to employees in the event of a data breach) and that those modules dovetail with certain

rules applicable to financial services firms, including in the UK. In particular, in the UK, financial services firms are required, *inter alia*, to:^{17 18}

- identify important business services and set impact tolerances for such business services;
- take action to ensure they are able to deliver their important business services within their impact tolerances; and
- test against severe but plausible operational disruption scenarios so as to enable them to identify vulnerabilities and take mitigating action and assist their boards and senior management in driving improvements where deficiencies are found.

For the avoidance of doubt, however, RTOP and its software solutions do not and shall not assume the obligations imposed on financial services clients in the UK or in any other jurisdiction to comply with applicable rules of supervising authorities on an outsourced basis, and RTOP and its software solutions do not and shall not carry-on regulated activities in the UK or in any other jurisdiction. As such, RTOP does not envisage the need to obtain any regulatory approvals or permissions from applicable financial services regulators in order for the Orbit Open Platform to be extended into and sold into the UK or in any other jurisdictions.

Failure to comply with one or more regulatory requirements applicable to RTOP in any of the jurisdictions in which RTOP operates could result in a variety of sanctions, including monetary fines or compulsory withdrawals of products and services.

RTOP is subject to environmental and health and safety laws and regulations in the jurisdictions in which it operates, relating to, *inter alia*, safe working conditions, product stewardship and environmental protection, including those relating to emissions to the air, discharges to land and surface waters, generation, handling, storage, transportation, treatment and disposal of hazardous substances and waste materials, and the registration and evaluation of chemicals.

RTOP maintains policies and procedures to monitor and control environmental, health and safety risks, and to monitor compliance with applicable environmental, health and safety requirements. Compliance with such laws and regulations pertaining to the discharge of materials into the environment, or otherwise relating to the protection of the environment, has not had a material effect upon RTOP's utilisation of its tangible fixed assets.

Data protection and privacy

RTOP collects and processes personal data from customers, and employees as part of its business. As a result of these activities, RTOP is subject to the data protection and privacy laws and regulations of the jurisdictions in which it operates. This includes the GDPR, UK GDPR and the Data Protection Act 2018. These data protection laws impose certain restrictions on what RTOP can and cannot do with the data it collects, and give data subjects certain rights in relation to their data.

To the greatest extent possible, RTOP aims for a uniform approach with regard to key data protection and privacy obligations across all relevant geographies.

Should a serious data breach occur, such data protection laws provide for increased obligations to notify regulators and individuals whose personal data has been compromised, and this may result in the imposition of significant sanctions and penalties, which require heightened escalation and notification processes with associated response plans.

¹⁷ Source: PS21/3 Building operational resilience (<https://www.fca.org.uk/publication/policy/ps21-3-operational-resilience.pdf>).

¹⁸ Source: PS6/21 | CP29/19 | DP1/18 Operational Resilience: Impact tolerances for important business services (<https://www.bankofengland.co.uk/prudential-regulation/publication/2018/building-the-uk-financial-sectors-operational-resilience-discussion-paper>).

RTOP has written policies and organises its data protection and privacy compliance in a centralised manner. RTOP publishes information on how it collects, uses and disseminates personal data in data privacy and cookies policies that are published on the Company's website (<https://regtechopenproject.co.uk/>) and RTOP's other websites (including, but not limited to, <https://www.orbititaly.com/>), and in other privacy policies provided to employees, which are modified from time to time to meet changing operational needs, changes in the legal requirements, and applicable regulatory guidance.

Task Force on Climate-Related Financial Disclosures ("TCFD")

Governance:

The Board in its totality is responsible for the effective delivery of environmental targets and reviewing key climate-related risks and opportunities and overseeing mitigating strategies.

The Executive Director and senior management team are responsible to analyse climate-related risks and opportunities in the context of the operation of RTOP's business, and provision of its software solutions, in order to ensure the achievement of environmental targets.

Specific positions or committees created for the management and identification of climate-related risks and opportunities will be introduced if RTOP's size and nature of business shift to become relevantly more impacted by climate change.

Strategy:

RTOP's strategy takes into consideration risks and opportunities related to the climate, with the minimisation of loss as its ultimate goal.

Risks:

Scarcity in natural resources could cause changes in regulations and increase in energy and fuel costs. This would result in an increase in RTOP's operating costs. The Board and RTOP's senior management team constantly reviews the entity of the risk posed, in order to adjust and mitigate the consequences of such change.

Opportunities:

Innovative and efficient processes underpinning the provision of its software solutions are increasingly becoming cheaper and more accessible. These processes are continuously under review by RTOP, as it aims to implement of a greater cost-effective supply chain and decrease its sensitivity to climate related risks. RTOP's strategy takes into consideration risks and opportunities related to the climate, with the minimisation of loss as its ultimate goal.

Metrics and targets:

RTOP is a low energy user utilising less than 40 megawatts of energy per year and creates negligible amounts of greenhouse gas emissions (metric tons of carbon dioxide equivalent). No other climate related metric is relevant or applicable for the time being and for this reason no target for the current management risks is set. The Board commits to keeping this under review and any change in such assessment will be presented to the Directors for consideration as appropriate.

Reporting:

TCFD reporting obligations apply to those listed issuers with financial year accounting periods commencing on or after 1 January 2022. Accordingly, RTOP will report against the TCFD framework in its inaugural annual report and accounts for the 12-month period ended 31 December 2023, as required by the Listing Rules.

16 Admission

On Admission, the Company will be authorised to issue one class of shares, being the Ordinary Shares. It is intended that the Ordinary Shares will be admitted by the FCA to a Standard Listing on the Official List in accordance with Chapter 14 of the Listing Rules and to trading on the Main Market of the London Stock Exchange.

17 Reasons for publication of this Prospectus

The Directors, having considered various strategic options, have concluded that the Direct Listing is the most favourable approach for RTOP to accelerate its business strategy and are seeking Admission of the Company's entire issued and to be issued share capital to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange by way of a Direct Listing to:

- create a heightened public profile for RTOP through increased press and media coverage;
- provide access to the capital markets to assist in the growth of RTOP's business in the UK and internationally;
- provide an opportunity to encourage the commitment and incentivise long-term motivation and performance of personnel;
- provide liquidity to Shareholders; and
- provide the possibility of using the Ordinary Shares as consideration for any future acquisitions.

18 Use of funds

RTOP's existing cash balance on the date of this Prospectus is £0 ("**Existing Cash Balance**").

Conditional upon Admission, RTOP will receive an initial tranche of up to £2,000,000 in cash by 1 September 2023 from RegTech Italy pursuant to the Shareholder Facility (the "**Gross Admission Cash Balance**").

Expenses associated with Admission, the Warrants, the Shareholder Facility, the preparation of this Prospectus and Direct Listing (including commission and expenses, listing and admission fees, professional advisory fees, including legal fees, and any other applicable expenses) are estimated to be approximately £1,034,135 (including any applicable VAT) (the "**Expenses**"), equating to approximately 52% of the Gross Admission Cash Balance.

Expenses will be paid by RTOP within 10 Business Days from Admission, borne by RTOP in full and deducted from the Gross Admission Cash Balance, and no Expenses will be charged to any investor by RTOP.

It is estimated that approximately £965,865 will remain as net cash after payment of the Expenses (assuming the maximum £2,000,000 initial tranche is drawn by the Company under the Shareholder Facility) (the "**Net Admission Cash Balance**").

Pursuant to the Shareholder Loan Agreement, conditional on Admission, RegTech Italy shall also provide during the Working Capital Period:

- up to £500,000 in cash, to be drawn by 30 September 2023;
- during the period commencing on 25 August 2023 and ending on 31 March 2024, up to £2,000,000, which may, at the election of the Company, be set-off on a £-for-£ basis against certain payables of the Company (where such payables shall be transferred to RegTech Italy to be settled); and

- save to the extent that the Company receives unrestricted cash amounts from the exercise of any outstanding Warrants and/or alternative equity, debt or hybrid financing and such unrestricted cash amounts are in the opinion of the Board sufficient to enable the Company to meet the Group's working capital obligations under the Prospectus Regulation Rules, during the period commencing on 1 October 2023, up to £3,500,000 in cash (*i.e.*, if drawn by the Company at a maximum of £500,000 per month during the Working Capital Period would be fully drawn by 1 April 2024),

equating in aggregate cash terms (excluding the balance sheet impact of the set-off of up to £2,000,000 in payables) to a maximum of £4,000,000 (together, the **"Post-Admission Shareholder Funds"**).

The Directors anticipate that in the Working Capital Period, the Net Admission Cash Balance and the Post-Admission Shareholder Funds (a maximum of £4,965,865 in total) will be applied as follows:

Expenses	Estimated amount (£)
(a) Executive Director's salary and Non-Executive Directors' fees:	£505,000
(b) General, administrative and business costs of RTOP (including future service provider fees, IP licensing royalties, rent, salaries of employees, including the Senior Manager(s), and execution of the post-Admission business strategy set out in paragraph 11.2 of this <i>Part VIII – About RTOP</i> of this Prospectus):	£2,871,978
(c) Fees payable to the London Stock Exchange and FCA:	£30,000
Aggregate estimated amount of expenses (a), (b) and (c) (together, the "Working Capital Period Amount"):	£3,406,978
Estimated amount remaining from £4,965,865 (<i>i.e.</i> , the maximum Net Admission Cash Balance plus the maximum Post-Admission Shareholder Funds) minus £3,406,978 (<i>i.e.</i> , the Working Capital Period Amount):	£1,558,887

19 Dividend policy

To date, the Company has not declared or paid any dividends on the Ordinary Shares. The Company's current intention is to retain any earnings to finance the operation and expansion of its business activities, and does not expect to contemplate, declare or pay any cash dividends until it has achieved substantial growth and stability of earnings.

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends, at such times (if any) and in such amounts (if any) as the Board determines appropriate and only to the extent legally or contractually permissible. Payments of such dividends will be dependent on the availability of distributable earnings and cash surplus to operational and budgetary requirements. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount of such dividends, if any.

20 Liquidity and capital resources

Sources of cash and liquidity

The Directors intend to finance RTOP's activities outside of the Working Capital Period through cash flow generated by its commercial activities, and if appropriate, equity and/or debt financing, although RTOP would only utilise such financing options on terms that are acceptable to the Directors and would not be expected until the point where current funds have been largely depleted. For the avoidance of doubt, none of the statements made in this paragraph in any way constitutes a qualification of the working capital statement set out in paragraph 13 of *Part XIV – Additional Information* of this Prospectus.

Interest rate risks

Indebtedness may expose RTOP to risks associated with movements in prevailing interest rates. Changes in the level of interest rates can affect, *inter alia*:

- the cost and availability of debt financing and hence RTOP's ability to achieve attractive rates of return on its assets;
- RTOP's ability to make an acquisition when competing with other potential buyers who may be able to bid for an asset at a higher price due to a lower overall cost of capital;
- the debt financing capability of the companies and businesses in which RTOP is invested; and
- the rate of return on RTOP's uninvested cash balances.

This exposure may be reduced by introducing a combination of a fixed and floating interest rates or through the use of hedging transactions (such as derivative transactions, including swaps or caps). Interest rate hedging transactions will only be undertaken for the purpose of efficient portfolio management, and will not be carried out for speculative purposes.

21 Hedging arrangements

RTOP may use forward contracts, options, swaps, caps, collars and floors or other strategies or forms of derivative instruments to limit its exposure to changes in the relative values of assets and liabilities that may result from market developments, including changes in prevailing interest rates and currency exchange rates, as previously described. It is expected that the extent of risk management activities by RTOP will vary based on the level of exposure and consideration of risk across the business.

The success of any hedging or other derivative transaction generally will depend on the Directors' ability to correctly predict market changes. As a result, while RTOP may enter into such a transaction to reduce exposure to market risks, unanticipated market changes may result in poorer overall performance than if the transaction had not been executed.

In addition, the degree of correlation between price movements of the instruments used in connection with hedging activities and price movements in a position being hedged may vary. Moreover, for a variety of reasons, RTOP may not seek, or be successful in establishing, an exact correlation between the instruments used in a hedging or other derivative transactions and the position being hedged and could create new risks of loss. In addition, it may not be possible to limit RTOP's exposure fully or perfectly against all changes in the values of its assets and liabilities, because the values of its assets and liabilities are likely to fluctuate as a result of a number of factors, some of which will be beyond RTOP's control.

22 Risk management arrangements

The audit and risk committee of the Board (the "**Audit and Risk Committee**") reviews risk management and internal control procedural audit processes in detail and makes recommendations to the Board for approval.

23 Takeover Code

The Company is a public company incorporated in England & Wales, and applications will be made to the FCA and London Stock Exchange for Admission of the Ordinary Shares to a Standard Listing and to trading on the Main Market of London Stock Exchange. The Takeover Code applies, *inter alia*, to all companies who have their registered office in the UK, Channel Islands or Isle of Man and whose securities are traded on a regulated market in the UK (such as the Main Market of the London Stock Exchange) or a multilateral trading facility or a stock exchange in the Channel Islands or Isle of Man. Accordingly, the Company is subject to the Takeover Code and therefore all Shareholders are entitled to the protections afforded by it.

The Takeover Code operates principally to ensure that shareholders of any company to which the Takeover Code applies are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment. The Takeover Code provides an orderly framework within which takeovers are conducted. Further information on the provisions of the Takeover Code is set out in paragraph 6 of *Part XIV – Additional Information* of this Prospectus.

The Takeover Code governs, *inter alia*, transactions which may result in a change of control of a company to which the Takeover Code applies. Under Rule 9 of the Takeover Code ("**Rule 9**"), any person who acquires, whether by a series of transactions over a period of time or not, an interest in shares (as defined in the Takeover Code) which (taken together with shares in which that person is already interested or in which persons acting with such person are interested) carry 30% or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares.

Similarly, Rule 9 also provides that when any person, together with persons acting in concert with such person, is interested in shares which, in aggregate, carry 30% or more of the voting rights of such company but does not hold shares carrying more than 50% of such voting rights, a general offer will normally be required if any further interest in shares is acquired which increases the percentage of shares carrying voting rights in which he, together with persons acting in concert with such person, are interested.

Where any person who, together with persons acting in concert with such person, holds over 50% of the voting rights of a company, acquires any further shares carrying voting rights, they will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares, though Rule 9 would remain applicable to individual members of a concert party who would not be able to increase their percentage interests in the voting rights of such company through or between Rule 9 thresholds without complying with the requirements of Rule 9 or the consent of the UK Panel on Takeovers and Mergers (the "**Takeover Panel**"). An offer under Rule 9 must be in cash and must be at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in shares of the company in question during the 12 months prior to the announcement of the offer.

PART IX

DIRECTORS, SENIOR MANAGER(S) AND CORPORATE GOVERNANCE

1 Directors

<u>Name</u>	<u>Position</u>	<u>Age</u>
Albert Ganyushin	<i>Chair; Independent Non-Executive Director</i>	52
Ian Halliday-Pegg	<i>Chief Executive Officer; Executive Director</i>	54
David Blunt	<i>Independent Non-Executive Director</i>	55
Vineeta Manchanda	<i>Independent Non-Executive Director</i>	61
Alessandro Zamboni	<i>Founder; Non-Executive Director</i>	44

The business address of each of the Directors is at the Registered Office.

Albert Ganyushin – Chair; Independent Non-Executive Director

Albert was appointed as Chair and an Independent Non-Executive Director on 16 August 2023 following a long career in capital markets. Since 2017, he has served as Head of Capital Markets at Dr. Peters Group with responsibility for international institutional business, including investment management, capital markets, financing and investor relations, and, in 2022, was appointed chair and independent non-executive director of Supply@ME Capital plc.

Prior to joining Dr. Peters Group, between 2010 and 2016, he worked in leadership roles in the listings business of NYSE Euronext Group after a career in investment banking that started with Deutsche Bank A.G. (London Branch) in 2000. He graduated with a Master's in Business Administration (MBA) degree from London Business School in 2000 and began his professional career as a management consultant with Accenture in London in 1995.

Ian Halliday-Pegg – Chief Executive Officer; Executive Director

Ian was appointed as Chief Executive Officer and Executive Director on 16 August 2023. Prior to joining RTOP, he worked as a freelance executive advisor, with clients in cybersecurity and third-party risk management, focusing on rapid-scaling of business-to-business SaaS offerings, including company strategy, go-to-market, sales & marketing, and customer success. Before this, from 2017-2021, he held senior leadership positions as Commercial and Managing Director at global SaaS software companies – Regnology (RegTech) and Galvanize (GRC) – where he was responsible for delivering growth, transforming go-to-market strategy and building high-performance revenue teams. Both companies were grown significantly and profitably, entering new geographies and markets, whilst returning strong unit-metrics and, ultimately, sold with high revenue-multiples compared with industry benchmarks.

From 2005-2017, Ian worked in GRC software with Metricstream and MEGA International in European-wide commercial roles across verticals including: financial services, insurance, public sector, manufacturing and utilities. Ian trained as an engineer, working for Cummins Diesels throughout his degree and for several years post-graduation, before moving into engineering-software sales with PTC (Parametric Technology Corporation). He holds a Bachelor of Engineering degree (B.Eng hons.) from Loughborough University.

David Blunt – Independent Non-Executive Director

David was appointed as an Independent Non-Executive Director on 16 August 2023. Before joining RTOP, he joined Mazars as a senior adviser in 2022, focusing on the consumer duty and other aspects of conduct and culture in financial services firms, as well as working as a financial services consultant and advisor, prior to which he held various roles with the FCA (and its predecessor entity, the Financial Services Authority (FSA)) from 2000 to 2020. Latterly, he was Head of the Conduct Specialists

Department in Supervision at the FCA, where he was the FCA's lead on its priority of transforming culture across financial services. As part of that work David was also responsible for the extension of the senior managers and certification regimes to all FCA authorised firms – one of the key FCA workstreams focusing on culture and governance at firms.

Prior to working in Supervision, David held a variety of roles in the Markets and Enforcement divisions of the FCA. He has also chaired international committees for the Financial Stability Board (FSB) to lead the global agenda on remuneration and culture. He trained as a solicitor at Lovell White Durrant (now Hogan Lovells LLP), following which he worked in the Listing Department of the London Stock Exchange and UK Listing Authority (at the FSA; now part of Enforcement and Market Oversight division of the FCA). He holds a Bachelor of Arts (BA) and a Master of Arts (MA) degrees in Chemistry from the University of Oxford, and a Law Society Finals qualification from the College of Law, Guilford.

Vineeta Manchanda – *Independent Non-Executive Director*

Vineeta was appointed as an Independent Non-Executive Director on 16 August 2023. Since 2014, she has developed a portfolio career acting as an audit committee chair and non-executive director in a wide range of organisations from small commercially run businesses to large complex public sector bodies such as the UK National Health Service and Government of Jersey. She worked in the financial services industry since 1987 covering investment management and equity capital markets. Initially she worked for blue chip global firms such as Merrill Lynch and County NatWest Investment Management before moving on to lead business units and the sales function in start-up emerging market investment banks. She has helped many smaller companies achieve successful initial public offerings. Vineeta began her career as a management trainee at Unilever in 1983 where she passed the Associate of the Chartered Institute of Management Accountants (ACMA) exams while working as an internal auditor. She holds a Bachelor of Arts (BA) degree in Philosophy, Politics and Economics from the University of Oxford.

Alessandro Zamboni – *Founder; Non-Executive Director*

Alessandro founded RegTech Italy on 15 November 2017, as a subsidiary of his holding entity, TAG, and assumed the role of Non-Executive Director on 10 March 2023.

He worked for 11 years as partner and managing director of the management consulting company NIKE Group S.p.A. (now part of Accenture), specialised in Regulatory & Internal Controls for Banks and Insurance Firms. Specifically, as the person in charge of the delivery, he has overseen relevant projects for the Financial Industry, in particular: design/updating of the corporate governance models pursuant to European Banking Authority and Bank of Italy regulations; regulatory assessment regarding market abuse directive and conflict of interest regulation; enhancement of the Internal Control System (compliance, internal auditing, and AML) in relation to the European Banking Authority / Bank of Italy provisions; set up of ICT & cloud strategy and business continuity policy; design of innovative system for financial reporting risk management; development of risk management models (in relation both to the "Basel" framework and to Solvency II).

He has designed and provided lectures on the subject of Internal Controls in ABI Formazione (Italian Banking Association), Ateneo Banca Impresa, ASSOSIM (Intermediaries Italian Association). He edited the part of the "strategic guidelines" of the book "Internal Governance" for Banks (curator Paola Schwizer, publisher EGEA).

He also founded Supply@ME Capital S.r.l. in 2014, before its Main Market listing by way of a reverse takeover in 2020, and has since been Chief Executive Officer of Supply@ME Capital plc. He holds a Bachelor of Arts (BA) degree in Economics from the University of Turin.

2 Senior Manager(s)

The business address of the Senior Manager is at the Registered Office.

Corrado Rosi – Group Chief Operating Officer

Corrado is the Group Chief Operating Officer at RTOP. He is responsible for managing RTOP's operational matters, including the design and development of the product and the management of the processes, systems and personnel related to the product. From Admission, he will be the person in charge of the Company's Italian permanent establishment. He has been with RTOP since July 2020, have previously been a UX design consultant, and co-founder of New Design S.r.l. He has a Bachelor of Arts (BA) degree in graphic design and visual communication from IED Istituto Europeo di Design Milano.

The Company has conducted a lengthy process to identify and appoint an appropriate candidate for the role of Chief Financial Officer. The Company expects to conclude this process and announce the appointment of its Chief Financial Officer in the third quarter of 2023.

3 Corporate governance

Framework

The Directors recognise the importance of, and is committed to, high standards of corporate governance. While the Company is not under an obligation to adopt a governance code on a 'comply or explain' basis given its Standard Listing, the Directors have opted to voluntarily adopt and comply with the Corporate Governance Code (2018 edition) published by the Quoted Companies Alliance (the "**QCA Code**") (so far as it is practicable to do so). In doing so, the Company follows a corporate governance framework, which the Directors believe is proportionate to the risks inherent to the size and complexity of RTOP's operations. Further details of this framework are set out below.

Board

The principal duties of the Board are to provide strategic leadership, to determine fundamental management policies and to oversee the performance of the business. The Board is the principal decision-making body for all matters that are significant to the business, whether in terms of their strategic, financial or reputational implications.

The Board has final authority to decide on all issues save for those which are specifically reserved to the general meeting of Shareholders by law or by the Articles. The key responsibilities of the Board include:

- determining RTOP's strategy, budget and structure;
- approving the fundamental policies of RTOP;
- overseeing appropriate financial reporting procedures, risk management policies and other internal and financial controls;
- proposing the issuance of new Ordinary Shares or other securities, and any restructuring of RTOP;
- appointing management;
- determining the remuneration policy of RTOP;
- ensuring the independence of Directors and that potential conflicts of interest are managed; and

- calling Shareholder meetings and ensuring appropriate communication with Shareholders.

The Board will provide leadership within a framework of prudent and effective controls. The Board will establish the corporate governance values of RTOP and will have overall responsibility for setting RTOP's strategic aims, defining and refining its business plan and strategy and managing its financial and operational resources.

To demonstrate adherence to the QCA Code, the Board will schedule quarterly meetings and will hold additional meetings as and when required. To enable the Board to discharge its duties, all Directors will receive appropriate and timely information. Briefing papers will be distributed to all Directors in advance of Board meetings, and all Directors will have access to the advice and services of the Company Secretary, who is responsible for ensuring that board procedures are followed and that applicable rules and regulations are complied with.

Directors are appointed by the Shareholders and are subject to re-election at the first opportunity after their appointment and they will voluntarily submit to re-election annually.

The Directors believe that the composition of the Board brings a desirable range of skills and experience in light of RTOP's challenges and opportunities following Admission, while at the same time ensuring that no individual (or a small group of individuals) can dominate the Board's decision making. The Company will appraise the structure of the Board on an ongoing basis.

Noting that Albert Ganyushin is, as at the date of this Prospectus, chair and independent non-executive director of Supply@ME Capital plc (a major shareholder of which is TAG (which is ultimately beneficially wholly-controlled by Alessandro Zamboni, Non-Executive Director of the Company)), the Board has considered the facts and does not view such appointment as undermining his independence in his capacity as Chair and Independent Non-Executive Director of the Company, which is a matter to be adjudged by the Board in accordance with principal 5 of the QCA Code.

The Board is responsible for RTOP's objectives and strategies. The Board is to be also responsible for the identification and evaluation of business opportunities, structuring and execution of any business opportunity and determination and execution of any strategy related to any such business opportunity.

Conflicts of interest

The Board has established a policy for the disclosure of interests in line with published guidance and the Companies Act.

Board committees

The Company has established the following committees of the Board, each with formally delegated duties and responsibilities:

- a remuneration committee (the "**Remuneration Committee**");
- a nomination committee (the "**Nomination Committee**");
- an Audit and Risk Committee; and
- a disclosure committee (the "**Disclosure Committee**").

If the need should arise, the Board may set up additional committees as appropriate.

The members of each committee are as follows:

<u>Committee</u>	<u>Chair</u>	<u>Other members</u>
Remuneration	David Blunt	Vineeta Manchanda Albert Ganyushin
Nomination	Albert Ganyushin	David Blunt Vineeta Manchanda
Audit and Risk	Vineeta Manchanda	Albert Ganyushin Alessandro Zamboni David Blunt
Disclosure	Ian Halliday-Pegg	Albert Ganyushin Alessandro Zamboni

Remuneration Committee

The Remuneration Committee will be responsible for the review and recommendation of the scale and structure of remuneration for Directors and any RTOP senior management, including any bonus arrangements or the award of share incentive schemes with due regard to the interests of the Shareholders and other stakeholders.

The Remuneration Committee must have at least two members. Members of the Remuneration Committee are appointed by the Board. The Remuneration Committee will comprise David Blunt (as chair), Vineeta Manchanda and Albert Ganyushin, and will meet at least once a year.

Nomination Committee

The Nomination Committee will lead the process for board appointments and make recommendations to the Board. The Nomination Committee shall evaluate the balance of skills, experience, independence and knowledge on the board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment.

The Nomination Committee must have at least two members. Members of the Nomination Committee are appointed by the Board. The Nomination Committee will comprise Albert Ganyushin (as chair), David Blunt, and Vineeta Manchanda, and will meet as and when necessary, but at least once each year.

Audit and Risk Committee

The Audit and Risk Committee will be responsible for making recommendations to the Board on the appointment of auditors and the auditor's fee, for ensuring that the financial performance of RTOP is properly monitored and reported, and for meeting with the auditors. In addition, the Audit and Risk Committee will receive and review reports from management and the auditors relating to the interim report, the annual report and accounts and the internal control systems of RTOP, and will be responsible for RTOP's internal controls and risk management systems, whistleblowing, internal and external audits.

The Audit and Risk Committee must have at least three members, of which at least two members must be independent. Members of the Audit and Risk Committee are appointed by the Board, on the recommendation of the Nomination Committee or the Board in consultation with the chair of the Audit and Risk Committee. The Audit and Risk Committee will comprise Vineeta Manchanda (as chair), Albert Ganyushin, Alessandro Zamboni and David Blunt, and will meet at least twice a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required.

Disclosure Committee

The Disclosure Committee will be responsible for ensuring timely and accurate disclosure of all information that is required to be so disclosed to the market to meet the legal and regulatory obligations and requirements arising from the Standard Listing and admission to trading on the Main Market of the London Stock Exchange of the Ordinary Shares, including the Listing Rules, the Disclosure Guidance and Transparency Rules and UK MAR.

The Disclosure Committee must have at least two members and will meet at such times as shall be necessary or appropriate. Members of the Disclosure Committee are appointed by the Board. The Disclosure Committee will comprise Ian Halliday-Pegg (as chair), Albert Ganyushin and Alessandro Zamboni. The Disclosure Committee will meet as often as necessary to fulfil its responsibilities.

4 Compensation

Details of the Executive Director's service agreements and Non-Executive Directors' letters of appointment and the Directors' and Senior Manager's remuneration for FY-22 are set out in paragraphs 10.1 and 10.2, respectively, of *Part XIV – Additional Information* of this Prospectus.

5 Share Dealing Code

RTOP has adopted a share dealing code applicable to RTOP regulating trading and confidentiality of inside information for the Directors and other persons discharging managerial responsibilities, including any Senior Manager (and their persons closely associated) which appropriate provisions (particularly relating to dealing during closed periods which will be in line with UK MAR) (the "**Share Dealing Code**"). RTOP will take all reasonable steps to ensure compliance by the Directors and any relevant employees with the terms of the Share Dealing Code.

The Share Dealing Code includes rules relating to:

- notifications by or on behalf of persons associated with RTOP who are required to make notifications of transactions in Ordinary Shares and related securities;
- the obligations of employees, managers and Directors with respect to the ownership of, and transactions in, Ordinary Shares and related securities; and
- if relevant, the period during which such persons may not affect transactions in Ordinary Shares and related securities.

RTOP has adopted a memorandum on procedures for dealing with inside information for the purposes of UK MAR outlining the procedures applicable to persons working for RTOP who could have access

to inside information on a regular or incidental basis and has informed the persons concerned of the rules on insider trading and market manipulation, including the sanctions which can be imposed in the event of a violation of those rules.

6 ABAC policy

RTOP takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings and relationships wherever they occur. RTOP implements effective systems to counter bribery and corruption and as part of this it has adopted an ABAC policy, which provides guidance to those working for RTOP on how to recognise and deal with bribery and corruption issues and the potential consequences and applies to all persons working for RTOP or on its behalf in any capacity, including employees at all levels, consultants and agents.

PART X

CAPITALISATION AND INDEBTEDNESS

The Company was incorporated on 10 March 2023 and, at that date, the sole balance on its books was £50,000 of ordinary share capital comprising 50,000 Ordinary Shares of nominal value £1.00 each. As a result, the Company's capitalisation as at 10 March 2023 was £50,000.

On 14 August 2023, RegTech Italy contributed its entire business and assets, including the Orbit Open Project, and transferred all its liabilities to the Company pursuant to the Contribution. In consideration for the Contribution, the Company allotted and issued 11,950,000 new ordinary shares of nominal value £1.00 each in the capital of the Company to RegTech Italy. Following the Contribution, the Company carried out the Subdivision, pursuant to which the Company subdivided its entire issued share capital of 12,000,000 ordinary shares of nominal value £1.00 each into 60,000,000 Ordinary Shares. As at the date of this Prospectus, the Company has an issued share capital of £12,000,000 in aggregate nominal value.

Pursuant to the Shareholder Loan Agreement, conditional on Admission, RegTech Italy shall provide the Shareholder Facility of up to £8,000,000 to the Company. Further details on the Shareholder Loan Agreement and Shareholder Facility are set out in paragraph 18.8 of *Part XIV – Additional Information* of this Prospectus.

Set out below is the capitalisation and indebtedness of the Group (which, for the purposes of this *Part X – Capitalisation and Indebtedness*, comprises the Company and includes of the business and assets of RegTech Italy as if the Contribution had occurred on 31 May 2023).

Capitalisation

As at the date of this Prospectus, the Group has no guaranteed or secured debt and no indirect or contingent indebtedness.

The following table shows the capitalisation of the Group (comprising the Company and including the business and assets of RegTech Italy as if the Contribution had occurred on 31 May 2023), and has been extracted, without material adjustment (save for the shareholder loan which RegTech Italy converted into equity as indicated in the post-balance sheet events in note 22 of *Part XII – Historical Financial Information* of this Prospectus), from the Group's unaudited management information as at that date.

	31 May 2023 £'000
Total current debt	
Guaranteed	-
Secured	-
Unguaranteed/unsecured	51
Total short-term borrowings	51
Total non-current debt	-
Guaranteed	-
Secured	-
Unguaranteed/unsecured	-
Total long-term borrowings	-
Share capital	12,000
Share premium	-
Other reserves	386
Total Equity	12,386

Indebtedness

The following table shows the indebtedness of the Group (comprising the Company and including the business and assets of RegTech Italy as if the Contribution had occurred on 31 May 2023), and has been extracted, without material adjustment (save for the shareholder loan which RegTech Italy converted into equity as indicated in the post-balance sheet events in note 22 of *Part XII – Historical Financial Information* of this Prospectus), from the Group's unaudited management information as at that date.

		31 May 2023
		£'000
A.	Cash	-
B.	Cash equivalent	-
C.	Other current financial assets	750
D.	Liquidity (A) + (B) + (C)	750
E.	Current financial debt	51
F.	Current portion of non-current debt	-
G.	Current Financial Debt (E) + (F)	51
H.	Net Current Financial Indebtedness (G) – (D)	(699)
I.	Non-current financial debt	-
J.	Debt instruments	750
K.	Non-current trade and other payables	1,518
L.	Non-current Financial Indebtedness (I) + (J) + (K)	2,268
M.	Net Financial Indebtedness (H) + (L)	1,570

As at 31 May 2023, there was no indirect or contingent indebtedness in relation to the Group (comprising the Company and including the business and assets of RegTech Italy as if the Contribution had occurred on 31 May 2023).

There has been no material change in the indebtedness of the Group (comprising the Company and including the business and assets of RegTech Italy as if the Contribution had occurred on 31 May 2023) since 31 May 2023, save for the shareholder loan which RegTech Italy converted into equity as indicated in the post-balance sheet events in note 22 of *Part XII – Historical Financial Information* of this Prospectus.

PART XI

OPERATING AND FINANCIAL REVIEW

The following operating and financial review contains financial information that has been extracted or derived, without material adjustment, from the Historical Financial Information comprising audited financial information for FY-22, FY-21, and FY-20, respectively, as set out in *Section B: Historical Financial Information of Part XII – Historical Financial Information* of this Prospectus.

The following discussion should be read in conjunction with the other information in this Prospectus and the Historical Financial Information. This discussion contains forward-looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements.

Investors should read the notice in relation to forward-looking statements contained on page 30 of this Prospectus. The key risks and uncertainties include, but are not limited to, those described in *Part II – Risk Factors* of this Prospectus.

1. Overview

During the Historical Financial Information period, RegTech Italy developed bespoke software modules on the Orbit Open Platform. The business continues to build a portfolio of customers where there is an initial set up cost borne by the business followed by professional services rendered and an ongoing licence fee for the use of RTOP's software and support. The process of building the business and onboarding customers has required funding mainly from existing Shareholders.

2. Key factors affecting comparability of financial periods comprising the Historical Financial Information

The main factors affecting comparability are the mix of customers who are either in the set-up cycle or onboarded and paying licence fees. The effect is to delay income with costs incurred upfront.

Another key factor is the initial built cost of the various software modules on the Orbit Open Platform that have required significant expenditure, which has warranted a significant outflow of cash, funded by loans and operating revenue in FY-20 whereby FY-21 and FY-22 a reduction in expense occurred as the modules became operational.

3. KPIs

This Prospectus does not contain any financial measures or KPIs (including any APMs) that are not defined or recognised under IFRS.

4. Key factors affecting results of operations and financial condition

RegTech Italy's results of operations and financial condition have been affected by a variety of factors (many of which being outside of its control).

Set out below are some of the most significant factors that have affected RegTech Italy's financial results during the periods under review and which the Board currently expects to affect RTOP's financial results in the future.

Factors other than those presented below could also have a significant impact on RTOP's results of operations and financial condition in the future.

For a description of other factors that may adversely affect RTOP's future operations and financial condition, see *Part II – Risk Factors* of this Prospectus.

General economic environment and external events

RegTech Italy's results of operations have been affected by specific local economic conditions in the markets and geographic areas in which it operates. Such conditions include levels of employment, real disposable income, private consumption, the availability of customer credit, customer confidence, applicable taxes, and customer willingness to spend, and the Board expects them to similarly apply to RTOP following Admission.

Competitive environment

RegTech Italy developed, maintains, modifies and licences the Orbit Open Platform, which is focussed on OR.

The global OR market remains highly fragmented, comprising several international players, ranging from niche operators (e.g., Fusion Risk Management, and Infinite Blue) to large global technology companies (e.g., Workiva, and ServiceNow). Many of the smaller players look to innovate in order to achieve a long-term competitive advantage. This fragmentation may present potential acquisition opportunities for RTOP. Providers of OR solutions also tend to be focussed on DR and cyber-risk management. Generic solutions provided to cover those areas provide limited solutions for customers. By contrast, the Directors believe that RTOP provides a more comprehensive approach to the provision of software solutions than its competitors, and the rapid deployability of, and service management support offered by RTOP in respect of the Orbit Open Platform has secured RTOP a competitive advantage over other providers of OR solutions. RTOP attributes this competitive advantage as the primary reason for its high customer retention over the last few years.

Customers

RegTech Italy mainly sells to customers located in Italy and the UK.

5. Description of key line items in Statement of Comprehensive Income

	Audited FY-22 £'000	Audited FY-21 £'000	Audited FY-20 £'000
Revenue	1,098	1,307	582
Cost of sales	(1,097)	(950)	(737)
Gross profit	1	357	(155)
Administrative expenses	(991)	(692)	(340)
Depreciation and amortization	889	(789)	(453)
Other operating income/expenses	(75)	206	(107)
Operating loss	(1,954)	(919)	(1,055)
Finance expense	(43)	(11)	(2)
Loss before tax	(1,997)	(930)	(1,057)
Taxation	504	281	250
Loss for the financial year	(1,493)	(649)	(807)
Other comprehensive income for the year	(45)	18	(33)
Total comprehensive loss	(1,537)	(631)	(840)

Revenue

RegTech Italy has generated revenue primarily from OR/BCM fee income and professional services with the revenue shared equally between fee income and professional services. During the period of FY-20 to FY-22, RTOP predominantly sold professional services as RTOP's customer base expanded in Italy and the UK.

RTOP's revenue was £1.1 million in FY-22, £1.3 million in FY-21, and £0.58 million in FY-20.

RTOP's revenue increase of 125% between FY-20 and FY-21 was partly due to a large software sales transaction that accounted for £350,000 in revenue in FY-21, which, if discounted, would have rendered RTOP's revenue at £950,000 in FY-21. Although RTOP's revenue dropped by 15% in headline terms in FY-22, on a like-for-like basis (excluding the exceptional £350,000 cash influx in FY-21) it increased from £950,000 to £1.1 million (equating to a revenue increase of 15%) between FY-21 and FY-22.

Cost of sales

RegTech Italy's cost of sales are comprised of personnel costs, consulting and technical services. The largest of these costs are personnel costs, accounting for 94% of RegTech Italy's overall cost of sales.

For FY-22, the cost of sales of RegTech Italy was £1.1 million.

RegTech Italy experienced a decrease in costs relative to the revenue as initial set up costs are not invoiced to customers. Once customers have been onboarded, fee income and the support costs are incurred. The effect of this is to see a negative gross margin in the initial period followed by a positive margin in the subsequent periods. The impact is seen in the gross margins showing negative 27% in FY-20 and positive gross margin of 27% in FY-21. With further investment in technology and onboarding of customers, the cost of sales increased by 10% on FY-21 and the gross margins reduced to 0%.

Administrative expenses

RegTech Italy's administrative expenses in 2022 were primarily the costs associated with implementing its expansion strategy. In FY-22, RegTech Italy started preparing for Admission and employed consultants to facilitate this process. The costs associated with this preparation accounted for 1% of overall administrative expenses for FY-22.

In FY-21 and FY-20, the administrative expense were the support functions for RegTech Italy; these grew in line with the expansion of its business.

Foreign exchange gains and losses

The foreign exchange gains and losses are the results of fluctuations in the exchange rates between RegTech Italy's functional currency – Euro – and its reporting currency for Group reporting. These differences are seen as a movement on reserves.

Interest income and finance expense

Finance expense has predominantly been related to loan interest. RegTech Italy's finance expense increased by £31,500 to £42,800 for FY-22 as compared to £11,300 for FY-21.

Taxation

For FY-22, a loss of £1.4 million was recorded and a tax credit provided for £0.5 million.

6. Financial situation as at the end of FY-22, FY-21, and FY-20

	Audited FY- 22 £'000	Audited FY-21 £'000	Audited FY-20 £'000
Assets			
Non-current assets			
Intangible assets	2,963	3,193	2,651
Property, plant and equipment	23	3	56
Deferred tax	1,073	549	273
Total non-current assets	4,059	3,744	2,980
Current assets			
Trade and other receivables	727	1,411	1,229

Cash and cash equivalents	3	143	2
Total current assets	730	1,554	1,231
Total assets	4,789	5,298	4,211
Equity			
Share capital	127	127	127
Retained earnings	(2,554)	(1,015)	(388)
Total equity	(2,427)	(888)	(261)
Non-current liabilities			
Payables to other lenders	12	-	43
Provisions for post-employment benefits	224	255	220
Total non-current liabilities	236	255	263
Current liabilities			
Trade and other payables	6,952	5,910	4,110
Payables to other lenders	28	21	99
Total current liabilities	6,980	5,931	4,209
Total liabilities	7,216	6,186	4,472
Total equity and liabilities	4,789	5,298	4,211

The intangible assets of RegTech Italy at FY-22 were £3 million as compared to £3.2 million in FY-21.

The intangible assets of RegTech Italy are the software which it has built to deliver the services for BCM. The assets include the Orbit Open Platform software product that was bought in connection with the Orbit Open Platform Acquisition Agreement on 30 December 2019.

Trade and other receivables as at FY-22 are £0.7 million as compared to £1.4 million as at FY-21, £1.2 million in FY-20. Trade and other receivables are primarily comprised of trade receivables (£434,000 FY-22, £459,000 FY-21), VAT receivables (£88,000 FY-22, £320,000 FY-21) and other receivables (£45,000 FY-22, £452,000 FY-21).

The trade and other payables of RegTech Italy as at FY-22 were £6,952,000 as compared to £5,910,000 in FY-21 and £4,110,000 in FY-20. Trade and other payables is largely made up of payments due for trade payables (£2,193,000 FY-22, £1,546,000 FY-21), tax and social security payables (£1,528,000 FY-22, £1,165,000 FY-21), and shareholders loan (£2,617,000 FY-22, £2,177,000 FY-21).

The cash position is continually monitored, and RegTech Italy has managed its cash to a prudent level, and the Board will continue to do so in respect of RTOP following Admission.

Cash flows in terms of financing costs, operating expenses and investments requirements have been and will be reviewed constantly. Throughout previous financial periods, RegTech Italy has experienced a positive cash flow. RegTech Italy's cash position decreased towards the end of FY-22, due to significant expenditure on legal and consulting costs related to Admission.

7. Statement of Cash Flows for FY-22, FY-21 and FY-20

	Audited FY- 22 £'000	Audited FY- 21 £'000	Audited FY-20 £'000
Cash flows from operating activities			
Loss before tax	(1,997)	(930)	(1,057)
Adjustments for:			

Amortisation for intangibles	916	726	444
Expenses relating to post-employment benefit obligation	52	52	6
Depreciation on PPE	-	62	9
(Increase)/decrease in trade and other receivables	731	(262)	(165)
Increase in trade and other payables	719	2,062	2,299
Other movement in post-employment benefit obligation	-	-	139
Post-employment benefit paid	(29)	(13)	(2)
Net cash generated from operating activities	392	1,698	1,672
Cashflow from investing activities			
Purchase of intangibles	(526)	(1,427)	(1,691)
Purchase of property plant and equipment	(19)	(12)	-
Net cash used in investing activities	(545)	(1,439)	(1,691)
Cashflow from financing activities			
Proceeds from issue of shares	-	-	-
Loans received/(repaid)	17	(115)	10
Net cash generated from/ (used in) financing activities	17	(115)	10
Net cashflow for the year before FX	(136)	144	(8)
Foreign exchange on cashflow	(4)	(3)	-
Net cashflow for the year after FX	(140)	141	(8)
Cash and cash equivalents at beginning of year	143	2	10
Cash and cash equivalents at end of year	3	143	2

Net cash generated from operating activities

For FY-22, RegTech Italy's net cash generated in operating activities was £392,000 as compared to £1,698,000 for FY-21. The reason for the reduction was mainly due to a reduced increase in trade and other payables.

Net cash from investing activities

For FY-22, RegTech Italy's net cash used from investing activities reduced to £545,000 cash flow as compared to £1,439,000 for FY-21. The negative cash flow reflects the continued investment in software technology.

Net cash from financing activities

For FY-22 RegTech Italy's net cash generated from financing activities increased by £17,000 as compared to £(115,000) for the 12-month period ended FY-21 where a previous loan had been repaid.

8. Liquidity and capital resources

As at the date of this Prospectus, the Existing Cash Balance is £0.

On Admission, the Net Admission Cash Balance will be £965,865 (following the deduction of Expenses).

9. Off-balance sheet arrangements

There are no off-balance sheet arrangements.

10. Critical accounting policies

Critical accounting policies are those policies that require the application of management's most challenging, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain and may change in subsequent periods. Critical accounting policies involve judgments and uncertainties that are sufficiently sensitive to result in materially different results under different assumptions and conditions. A description of certain of the main accounting policies used in preparing the Historical Financial Information is included in Note 2 of *Section B: Historical Financial Information of Part XII – Historical Financial Information* of this Prospectus.

PART XII

HISTORICAL FINANCIAL INFORMATION

SECTION A: ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION

The Directors
RegTech Open Project plc
9th Floor
107 Cheapside
London EC2V 6DN
United Kingdom



Accountants &
business advisers
PKF Littlejohn LLP
15 Westferry Circus
London E14 4HD
United Kingdom

22 August 2023

Dear Directors

Accountants report on the Historic Financial Information of RegTech Open Project S.p.A. ("RegTech Italy" or the "Company")

Introduction

We report on the financial information of RegTech Italy for the three years ended 31 December 2022, 31 December 2021 and 31 December 2020 which comprises the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cashflows, and the related notes ("Historic Financial Information"). This Historic Financial Information has been prepared for inclusion in the Prospectus of RegTech Open Project plc dated 22 August 2023 on the basis of the accounting policies set out in note 2 to the Historic Financial Information. The report is required by item 18.3.1 of the Annex 1 to the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, which is part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "Prospectus Regulation"), and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibility

The directors of RegTech Open Project plc (the "Directors") are responsible for preparing the Historic Financial Information on the basis of preparation set out in the notes to the Financial Information and in accordance with UK adopted International Financial Reporting Standards ("IFRS").

It is our responsibility to form an opinion on the Historic Financial Information as to whether the financial information gives a true and fair view, for the purposes of the Prospectus, and to report our opinion to you.

Save for any responsibility arising under 5.3.2R(2)(f) of the Prospectus Regulation Rules 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 Regulation, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Financial Reporting Council ("FRC") in the United Kingdom. We are independent of RegTech Italy in accordance with the FRC's ethical standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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

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 and practices.

Conclusions relating to Going Concern

We are required to report if we have anything material to add or draw attention to in respect of the Directors' statement in the Financial Information about whether the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the Financial Information and the Directors' identification of any material uncertainties to RegTech Italy's ability to continue as a going concern over a period of at least twelve months from the date of this Prospectus.

We have nothing material to add or to draw attention to.

Opinion

In our opinion, the Historic Financial Information in Part XII gives, for the purpose of the Prospectus dated 22 August 2023, a true and fair view of the state of affairs of RegTech Italy as at 31 December 2022, 31 December 2021 and 31 December 2020 and of its results, cash flows and changes in equity for the periods then ended in accordance with IFRS and has been prepared in a form that is consistent with the accounting policies adopted by RegTech Open Project plc.

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 we 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 Regulation.

Yours faithfully

PKF Littlejohn LLP
Reporting Accountant

SECTION B: HISTORICAL FINANCIAL INFORMATION

STATEMENT OF COMPREHENSIVE INCOME

The Statement of Comprehensive Income is stated below:

		Audited FY-22 £'000	Audited FY-21 £'000	Audited FY-20 £'000
Continued operations	Note			
Revenue	4	1,098	1,307	582
Cost of sales		(1,097)	(950)	(737)
Operating profit/(loss)		1	357	(155)
Administrative expenses		(1,880)	(1,482)	(793)
Other operating income/(expenses)	5	(75)	206	(107)
Operating loss	6	(1,954)	(919)	(1,055)
Finance expense	8	(43)	(11)	(2)
Loss before income tax		(1,997)	(930)	(1,057)
Income tax	10	504	281	250
Loss for the year		(1,493)	(649)	(807)
Other comprehensive income				
Items that may be reclassified to profit or loss				
Exchange differences on translation of foreign operations – net of tax		(92)	26	21
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefits obligation – net of tax		47	(8)	(54)
Other comprehensive income for the period, net of tax		(45)	18	(33)
Total comprehensive loss		(1,537)	(631)	(840)
Earnings per share (£) from continuing operations attributable to owners of RegTech Italy				
Basic and diluted	11	(10.25)	(4.21)	(5.60)

The notes form an integral part of this Historic Financial Information.

STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position is stated below:

	Note	Audited FY-22 £'000	Audited FY-21 £'000	Audited FY-20 £'000
Assets				
Non-current assets				
Intangible	12	2,963	3,192	2,651
Property, plant & equipment		24	3	56
Deferred tax	13	1,072	549	273
Total non-current assets		4,059	3,744	2,980
Current assets				
Trade and other receivables	13	727	1,411	1,229
Cash and cash equivalents	14	3	143	2
Total current assets		730	1,554	1,231
Total assets		4,789	5,298	4,211
Equity				
Share capital	18	127	127	127
Retained earnings		(2,554)	(1015)	(388)
Total equity		(2,427)	(888)	(261)
Non-current liabilities				
Financial liabilities - Interest bearing loans and borrowings	17	12	-	43
Post-employment benefits obligation	16	224	255	220
Total non-current liabilities		236	255	263
Current liabilities				
Trade and other payables	15	6,952	5,910	4,110
Financial liabilities - Interest bearing loans and borrowings	17	28	21	99
Total current liabilities		6,980	5,931	4,209
Total liabilities		7,216	6,186	4,472
Total equity and liabilities		4,789	5,298	4,211

The notes form an integral part of this Historic Financial Information.

STATEMENT OF CASH FLOWS

The Statement of Cash Flows is stated below:

	Note	Audited FY-22 £'000	Audited FY-21 £'000	Audited FY-20 £'000
Cash flows from operating activities				
Loss before tax		(1,997)	(930)	(1,057)
<i>Adjusted for:</i>				
<i>Non-cash adjustments</i>				
<i>Amortisation for intangible</i>		916	726	444
<i>Expense relating to post-employment benefit obligation</i>		52	52	6
<i>Depreciation for PPE</i>		-	62	9
(Increase)/ decrease in trade and other receivables		731	(262)	(165)
Increase in trade and other payables		719	2,062	2,299
Other movement in post-employment benefit obligation		-	-	139
Post-employment benefit paid		(29)	(13)	(2)
Net cash generated from operating activities		392	1,698	1,673
Cash flows from investing activities				
Purchase of intangible assets	12	(526)	(1,427)	(1,691)
Purchase of tangible assets		(19)	(12)	-
Net cash used in investing activities		(545)	(1,439)	(1,691)
Cash flows from financing activities				
Loans received/(repaid)		17	(115)	10
Net cash generated from / (used in) financing activities		17	(115)	10
Net (decrease)/increase in cash and cash equivalents before FX		(136)	144	(8)
Foreign exchange on cashflow		(4)	(3)	-
Net (decrease)/increase in cash and cash equivalents after FX		(140)	141	(8)
Cash and cash equivalents at beginning of period		143	2	10
Cash and cash equivalents at end of period		3	143	2

The notes form an integral part of this Historic Financial Information.

STATEMENT OF CHANGES IN EQUITY

The Statement of Changes in Equity is stated below:

	Share capital	Legal reserve	Currency translation reserve	Actuarial gains/losses on defined benefit plan reserve	Other reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2020	127	-	8	-	673	(235)	573
Currency retranslation	-	-	-	-	-	-	-
Balance at 1 January 2020	127	-	8	-	673	(235)	573
Loss for the year	-	-	-	-	-	(807)	(807)
Other comprehensive income	-	-	21	(54)	-	-	(33)
Total comprehensive income	-	-	21	(54)	-	(807)	(840)
Legal reserve	-	6	-	-	-	-	6
Balance at 31 December 2020	127	6	29	(54)	673	(1,042)	(261)
Currency retranslation	-	-	-	4	-	-	4
Balance at 1 January 2021	127	6	29	(50)	673	(1,042)	(257)
Loss for the year	-	-	-	-	-	(649)	(649)
Other comprehensive income	-	-	26	(8)	-	-	18
Total comprehensive income	-	-	26	(8)	-	(649)	(631)
Legal reserve	-	-	-	-	-	-	-
Balance at 31 December 2021	127	6	55	(58)	673	(1,691)	(888)
Currency retranslation	-	-	-	(1)	-	-	(1)
Balance at 1 January 2021	127	6	55	(59)	673	(1,691)	(889)
Loss for the year	-	-	-	-	-	(1,493)	(1,493)
Other comprehensive income	-	-	(92)	47	-	-	(45)
Total comprehensive income	-	-	(92)	47	-	(1,493)	(1,537)
Legal reserve	-	-	-	-	-	-	-

Balance at 31 December 2022	127	6	(37)	(12)	673	(3,184)	(2,427)
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The notes form an integral part of this Historic Financial Information.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 General Information

RegTech Open Project S.p.A. (or "RegTech Italy") is a company incorporated in Italy as a *Società a responsabilità limitata*, with its registered office at Via Giosue Carducci 36, 20123 Milano, Italy.

RegTech Open Project plc (the "Company") (and, together with its subsidiaries and subsidiary undertakings from time to time, as the context requires, the "Group") was incorporated on 10 March 2023 and established a permanent establishment in Italy (which is not a separate legal entity) on 20 July 2023. Aside from establishing the Italian permanent establishment and receiving the contribution from RegTech Italy of the Orbit Open Platform and the interests in RegTech China (as defined below) pursuant to the Corporate Reorganisation (as defined in the Prospectus) which took effect on 14 August 2023, the Company has been dormant and has not traded or commenced operations since its incorporation and will not trade or commence operations prior to Admission.

瑞吉泰科技（北京）有限公司 (or Ruijitai Technology (Beijing) Co., Limited or RegTech China Co. Ltd.) ("RegTech China") was incorporated on 8 November 2022 and has been dormant and has not traded or commenced operations since its incorporation, and will not trade or commence operations prior to Admission.

This Historical Financial Information has been prepared for the sole purpose of publication within a prospectus of the Company.

RegTech Italy was incorporated on 15 November 2017, and, prior to the Corporate Reorganisation, had traded and undertaken operations since its incorporation. RegTech Italy contributed its entire business and assets and transferred all its liabilities to the Company on 14 August 2023 pursuant to the Corporate Reorganisation.

Accordingly, the Historical Financial Information does not present any standalone, unconsolidated financial information on the Company or RegTech China, and references to the "Group" in the context of the Historical Financial Information shall mean RegTech Italy only.

The Historical Financial Information has been prepared in accordance with the requirements of the Prospectus Regulation Rules and has been prepared in accordance with International Financial Reporting Standards as adopted by the United Kingdom, and the policies stated elsewhere within the Historic Financial Information. The Historic Financial Information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006 (as amended).

The Historical Financial Information is presented in Pounds Sterling, which is RegTech Italy's presentational currency. The functional currency is Euros. This Historical Financial Information has been prepared under the historical cost convention.

New and amended standards

New standards, amendments and interpretations

RegTech Italy has adopted all the new and amended standards and interpretations issued by the International Accounting Standards Board that are relevant to its operations and effective for accounting periods commencing on or after 1 January 2022.

New standards, amendments and Interpretations in issue but not yet effective or not yet endorsed and not early adopted

There are no new standards issued but not yet effective that are considered to have a material impact on RegTech Italy.

2 Significant accounting policies

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

Critical accounting estimates and judgements

RegTech Italy makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual results may differ from these estimates and assumptions.

RegTech Italy believes that the estimates and judgements that have the most significant impact on the annual results under IFRS are as set out below:

Deferred tax, income tax and other taxes

RegTech Italy is subject to income tax and other taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income tax and other taxes.

There are many transactions and calculations for which the ultimate tax determination is uncertain at the time a liability must be recorded.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised. The Board has concluded the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets for RegTech Italy. RegTech Italy is expected to generate taxable income from 2024-25 onwards. The losses can be carried forward indefinitely and have no expiry.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Post-employment benefits obligation

Provision is made for all employees, calculated by adding for each year of work a portion equal to the amount of the salary, due for the same year, divided by the coefficient 13.5. The progressively accumulated amount, except that of the year, is revalued on 31 December of each year with a fixed rate of 1.5% plus 75% of the increase in the Istat index recorded for the previous year. The amount provided is payable one month after the employment ceases.

Certain key inputs are used in the model and these are turnover rate, inflation rate and discount rate, these are shown in the estimates note below.

These are the significant estimates and judgements for the post-employment benefits provision.

Table of economic bases

	FY-22	FY-21	FY-20
Annualised discount rate	3.77%	0.98%	0.79%
Annualised inflation	2.30%	1.75%	0.80%
Annual rate of severance pay increase	3.23%	2.81%	2.10%
Annual rate of salary increase	0.50%	0.50%	0.50%

Annual frequencies of turnover and severance pay advances:

Frequency of advances	1.00%
Frequency of turnover	5.00%

Internally developed intangible assets

The useful economic lives of internally and acquired developed intangibles, which are key estimates, are assessed by management. Management have benchmarked to similar developed intangibles in the market place and reviewed its internal delinquency rates. Management concluded that the estimated useful lives of the internally developed intangible assets is 3 to 4 years.

Management has conducted an annual impairment review with no other events calling on a review more frequently. Management observed that the intangible assets continue to generate income and with continued maintenance believe the assets will generate income for at least the next 5 years and therefore the value is in excess of its carrying value. Management concluded no impairment is required.

Revenue recognition – assessment of performance obligations

RegTech Italy's board are required to make a judgement as to if the services represent a distinct performance obligation under IFRS 15 ("Revenue from Contracts with Customers").

RegTech Italy's board and management have concluded that this is indeed the case due to the distinct beneficial service being provided to customers.

Fees are determined by a number of factors, including the number of modules taken within the Orbit Open Platform and time and materials for a bespoke project of work.

Operational resilience fees are for providing the Business Continuity Management software which is recognised over the contractual period the service is provided. This is typically on an annual basis. Special situations and other fees are for a finite service which is recognised when the service is completed.

Measurement of fair values

A number of RegTech Italy's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

RegTech Italy has an established control framework with respect to the measurement of fair values. The finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to RegTech Italy's directors.

When measuring the fair value of an asset or a liability, RegTech Italy uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (*i.e.*, as prices) or indirectly (*i.e.*, derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

RegTech Italy recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Going concern

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

The Directors are of the opinion that RegTech Italy has adequate resources to enable it to continue in operation for the foreseeable future.

As at 31 December 2022, RegTech Italy had £3,000 in cash and cash equivalents.

RegTech Italy continues to trade successfully in the UK and Europe.

Annualised running costs of RegTech Italy were approximately £1.5 million (excluding exceptional contracted expenses in connection with the proposed London listing of the Company).

The Directors are therefore of the opinion that RegTech Italy has adequate financial resources to enable it to continue in operation for the foreseeable future.

For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Internally developed intangible assets

The cost of an internally generated software comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. During the period, judgement was required to distinguish those costs that were capable of being capitalised under IAS 38 ("Intangible assets") and those costs that related to research activities, the cost of which has been recognised as an expense during the relevant period.

The useful economic lives of internally developed intangibles, which are key estimates, are assessed by management. The estimated useful lives of the internally developed intangible assets are 3 to 4 years.

Useful economic lives of acquired intangibles

On acquisition, the useful economic lives of acquired intangibles, which are key estimates, are assessed by management. The estimated useful lives of the acquired intangible assets are 3 to 4 years.

Impairment of intangible assets

Intangible assets are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when RegTech Italy becomes a party to the contractual provisions of a financial instrument. Financial assets and financial liabilities are offset if there is a legally enforceable right to set off the recognised amounts and interests and it is intended to settle on a net basis.

Financial assets

Classification

Financial assets are recognised when RegTech Italy becomes a party to the contractual provisions of the instrument. At initial recognition, RegTech Italy measures its financial assets at amortised cost which comprise 'trade and other receivables' and 'cash and cash equivalents'.

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition and measurement

At initial recognition, an entity shall measure a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At initial recognition, an entity shall measure trade receivables at their transaction price if the trade receivables do not contain a significant financing component.

Derecognition

RegTech Italy derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of the ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by RegTech Italy is recognised as a separate asset or liability.

Derecognition also takes place for certain assets when RegTech Italy writes-off balances pertaining to the assets deemed to be uncollectible.

Impairment of financial assets

IFRS 9 mandates the use of an expected credit loss model to calculate impairment losses rather than an incurred loss model, and therefore it is not necessary for a credit event to have occurred before credit losses are recognised. The new impairment model applies to RegTech Italy's financial assets and loan commitments. RegTech Italy recognises lifetime expected credit losses ("ECL") when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, RegTech Italy measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

RegTech Italy is satisfied that the credit risk of its financial assets has not significantly increased and no provision for losses is required. RegTech Italy has concluded this on the basis of ongoing monitoring of the credit status of bank counterparties and the long-term operating relationships that RegTech Italy has with the other debtor counterparties.

Loans and receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade receivables are held with the objective of collecting the contractual cash flows. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method, less provision for impairment. RegTech Italy applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Due to the short-term nature of the other current receivables, their carrying amount is considered to be the same as their fair value.

A financial asset is assessed at each reporting date to determine whether there is any evidence that it is impaired. A financial asset is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Individual significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised in the consolidated income statement.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less. In the consolidated Statement of Financial Position, bank overdrafts are shown within borrowings in current liabilities.

Financial liabilities

Basic financial liabilities include trade and other payables.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial assets at fair value through profit or loss

Financial assets designated at fair value through the profit or loss are those that have been designated by management upon initial recognition.

Provisions

Where a measurable obligation exists at the accounting date, but which is dependent upon a set of conditions realistically being able to be satisfied, a provision to accommodate that obligation is charged to the income statement and maintained in the balance sheet until such time as the obligation is either crystallised or reversed.

Post-employment benefits

The post-employment benefits obligation related to the so-called TFR (*Trattamento di fine rapporto*) in Italy. There is no severance pay or redundancy compensation as such. However, upon termination of the employment relationship, the employee receives the TFR, which is a part of workers' wages whose payment is deferred upon termination of the employment relationship. Under IAS 19 Employee Benefits this provision is accounted, and disclosed, as a post-employment benefit obligation.

Share capital

Ordinary shares are classified as equity in share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity, as a deduction, net of tax, from the proceeds provided there is sufficient premium available. Should sufficient premium not be available placing costs are recognised in the Statement of Comprehensive Income.

Reserves

The retained earnings reserve includes retained losses since RegTech Italy's incorporation.

Dividends

No dividend has been declared and paid by RegTech Italy during the years ended 31 December 2022, 31 December 2021 or 31 December 2020.

Foreign currencies

Transactions and balances

Transactions in foreign currencies are converted into the functional currency on initial recognition, using the exchange rates approximating to those ruling at the transaction dates.

At each period end foreign currency monetary items are translated using the rates ruling as of that date.

Non-monetary assets and liabilities are not retranslated.

All exchange differences are recognised in profit or loss.

RegTech Italy's functional currency is Euros with no material exposure to other currencies. The presentation currency is GBP. RegTech Italy raises the majority of its invoices and receives costs in Euros, and therefore is naturally hedged.

Other income

RegTech Italy has other income mainly related to Research and development tax credits.

Interest income

RegTech Italy has *de minimis* interest income.

Interest payable

Interest payable on both quoted and unquoted debt instruments held at fair value through profit and loss is accrued on a time-proportionate basis, by reference to the principal outstanding and the effective interest rate applicable.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period.

RegTech Italy's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period and is the amount of income tax payable in respect of the taxable profit for the year or prior year.

Deferred tax is recognised on all timing difference between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Income taxes are determined in application of the accrual principle, and are determined on the basis of the current rates provided by Italian tax law (a corporate income tax or *imposta sul reddito sulle società* (IRES) at 24% and a regional production tax or *imposta regionale sulle attività* (IRAP) at 3.9% and of the rules provided by the same Italian tax law in terms of taxable and deductible income statement items).

In compliance with the principle of prudence, the deferred tax assets have been calculated on the deductible temporary differences by applying the tax rate which is deemed to be in force at the moment in which these differences will generate a decrease in the taxable amount, based on the principle of reasonable certainty of the existence of future taxable income sufficient to reabsorb the changes mentioned above.

The amount of prepaid taxes is reviewed every year in order to verify that there is still reasonable certainty of obtaining taxable income in the future, such as to recover the entire amount of prepaid taxes.

Revenue

Revenue represents the income generated from RegTech Italy's propriety platform focussed on operational resilience.

Revenue for RegTech Italy is measured at the fair value of the consideration received or receivable. RegTech Italy recognises revenue when the performance obligation is satisfied, the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

Currently all RegTech Italy's revenues are recognised at a point in time when the relevant performance obligation has been satisfied.

Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in Italy.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

Management establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3 Financial risk management

The Board of Directors attribute great importance to professional risk management, proper understanding and negotiation of appropriate terms and conditions and active monitoring, including a thorough analysis of reports and financial statements and ongoing review of investments made.

RegTech Italy has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control the economic impact of these risks.

The Board of Directors reviews and agrees policies for managing the risks as summarised below.

RegTech Italy has exposures to the following risks from financial instruments:

- Credit risk
- Liquidity risk
- Market risks:
 - Currency risk
 - Price risk

RegTech Italy's overall risk management process focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on RegTech Italy financial performance.

RegTech Italy manages its concentration of credit risk by having a portfolio of customers with no concentration greater than 5%. The board considers this as low risk with minimal effect on RegTech Italy financial performance.

RegTech Italy had no interest rate derivative financial instruments in FY-22, FY-21 or FY-20.

Credit risk

Credit risk is the risk of financial loss to RegTech Italy if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk exposure arises from cash and cash equivalents, trade and other receivables. Management measures the risk by credit rating and an aging analysis.

Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of "BBB" are accepted.

For wholesale customers risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on assessment.

Impairment of financial assets

Cash and cash equivalents are subject to the impairment requirements of IFRS9, the identified impairment loss was immaterial.

For trade and other receivables, RegTech Italy applies the IFRS9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. Management reviews the aged analysis and bucket customers into up to 1 month, 3 to 6 months and over 6 months past due. If a customer is over 1 month past due, an initial impairment review will be undertaken based on the internal assessed credit rating and management discussion an impairment up to 25% of the receivable amount is made. For customers over 6 months a more detailed review is undertaken of the customer with impairment of 50% to 100% of receivable amount made.

Management for the 3 year period do not have any customers in the 1 month or more past due category.

In addition to specific impairments management review the macroeconomic climate taking into consideration, interest rates, inflation and GDP. Where there is a significant change management considers if there is an impact to customers and if an expect loss impairment should be made. Management consider this as immaterial.

Liquidity risk

Liquidity risk arises from RegTech Italy's management of working capital. It is the risk that RegTech Italy will encounter difficulty in meeting its financial obligations as they fall due.

RegTech Italy's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances to meet expected requirements for a period of at least 30 days. It regards its short to medium term funding arrangements, the general operating profitability of the business and paying record to be major mitigating factors.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities	<i>Less than 6 months</i>	<i>6 – 12 months</i>	<i>Between 1 and 2 contractual</i>	<i>Total</i>	<i>Carrying amount liabilities</i>
At 31 December 2022					

	£'000	£'000	years £'000	cash flows £'000	£'000
Non-derivatives					
Trade payables	2,193	-	-	2,193	2,193
Shareholder loan	-	-	2,617	2,617	2,617
Borrowings	28	-	12	40	40
Total	2,221	-	2,629	4,850	4,850

Contractual maturities of financial liabilities	Less than 6 months	6 – 12 months	Between 1 and 2 years	Total contractual cash flows	Carrying amount liabilities
At 31 December 2021	£'000	£'000	£'000	£'000	£'000
Non-derivatives					
Trade payables	1,546	-	-	1,546	1,546
Shareholder loan	-	-	2,177	2,177	2,177
Borrowings	21	-	-	21	21
Total	1,567	-	2,177	3,744	3,744

Contractual maturities of financial liabilities	Less than 6 months	6 – 12 months	Between 1 and 2 years	Total contractual cash flows	Carrying amount liabilities
At 31 December 2020	£'000	£'000	£'000	£'000	£'000
Non-derivatives					
Trade payables	1,362	-	-	1,362	1,362
Shareholder loan	-	-	1,052	1,052	1,052
Borrowings	99	-	43	142	142
Total	1,461	-	1,095	2,556	2,556

Market risk

Market risk is the risk that changes in market prices that are beyond the influence or control of RegTech Italy may move adversely and negatively impact RegTech Italy's profitability. These include:

- **Currency risk:**

This is where the costs of goods and services obtained in non-sterling currencies may rise, or the value of sales denominated in non-sterling currencies may fall. RegTech Italy monitors these exposures carefully and will organise currency swaps, forward trades and where possible, sterling-based contracts and re-pricing agreements to mitigate. Frequently RegTech Italy has both revenues and costs in non-Pound Sterling currencies (mainly Euro) which can be naturally hedged against each other.

- **Price risk:**

This is where the costs of goods required for either production or, typically, distribution, can fluctuate sufficiently for the supplier to adjust their pricing. RegTech Italy will always try to negotiate long-term arrangements with its suppliers and move to increasing the proportion of outsourced activities in order to exert more control over its supply chain costs.

- **Segmental analysis:**

Revenue is split as follows:

	FY-22 %	FY-21 %	FY-20 %
Europe (Italy)	74.1	96.9	100.0
UK	24.9	1.3	-
Rest of World	1	1.8	-
Total	100	100	100

Net liabilities (total Equity) split as follows:

	FY-22	FY-21	FY-20
	£'000	£'000	£'000
Europe (Italy)	1,799	861	261
UK	604	11	-
Rest of World	24	16	-
Total	2,427	888	261

This split is based on the revenue split percentages above.

4 Revenue

Revenue is categorised as follows:

	FY-22	FY-21	FY-20
	£'000	£'000	£'000
Operational resilience fees	340	517	518
Special situations	698	728	26
Other	60	62	38
Total	1,098	1,307	582

In FY-22 the revenue for any one customer is no more than 10% of the total revenue of RTOP Italy. In FY-21 the largest fee was €409,836 equating to 27% of the total revenue for that year.

5 Other operating income / expense

	FY-22	FY-21	FY-20
	£'000	£'000	£'000
Other income	63	384	18
Management charges	(138)	(178)	(125)
Total	(75)	206	107

Other income includes Research and Development grants.

6 Operating loss

The operating loss is stated after charging/ (crediting):

	FY-22	FY-21	FY-20
	£'000	£'000	£'000
Staff costs	1,026	874	707
Costs of other services	841	597	325
Amortisation/depreciation	889	789	453

7 Employees

	FY-22	FY-21	FY-20
	£'000	£'000	£'000
The average number of persons (including executive directors) employed by RegTech Italy during the period:	23	26	17
Wages and salaries (excluding directors)	892	947	721
Directors' fees	-	-	-
Pension costs	79	85	37

Social security costs	249	268	212
	1,220	1,300	970
Of which capitalised	(194)	(426)	(263)
Staff costs	1,026	874	707

8 Finance expenses

	FY-22 £'000	FY-21 £'000	FY-20 £' 000
Tax instalment interest	7	2	-
Other interest and financial charges	36	9	2
Total	43	11	2

9 Directors' remuneration

There were no salary, fees or other rewards were granted to any directors of the company in any of the years ended 31 December 2022, 2021 and 2020.

10 Income tax expense

	FY-22 £'000	FY-21 £'000	FY-20 £' 000
Current tax	-	-	-
Deferred tax	(504)	(281)	(250)
Income tax expense	(504)	(281)	(250)
Deferred tax (asset)/ liability not recognised	-	-	-

The tax on RegTech Italy's profit before tax differs from the theoretical amount that would arise using the applicable tax rate to the profits and losses of RegTech Italy as follows:

	FY-22 £'000	FY-21 £'000	FY-20 £'000
Loss before tax	(1,997)	(930)	(1,057)
Tax at 24%	(479)	(223)	(254)
Expenses not deductible for tax purposes	32	42	10
Income not taxable for tax purposes	(10)	(50)	-
Temporary differences (without deferred taxes)	(13)	(23)	12
Sub total	(469)	(254)	(232)
Adjustment for Deferred tax on timing differences (Rate 27.9%)	(35)	(27)	(18)
Tax credit	(504)	(281)	(250)
Tax losses carried forward	(1,940)	(873)	(500)

At 31 December 2022, RegTech Italy had tax losses of approximately £1,940,000 (31 December 2021: £873,000 & 31 December 2020: £500,000) to carry forward against future profits.

11 Earnings per share

	FY-22	FY-21	FY-20
Basic and diluted Earnings per share			
Loss for the period attributable to the owners of RegTech Italy (£)	£(1,537,000)	£(631,000)	£(840,000)
Weighted average number of shares	150,000	150,000	150,000
Basic and diluted loss per share (£)	(10.25)	(4.21)	(5.60)

12 Intangible assets

	Software £'000	Other £'000	Total £'000
Cost or valuation			
At 1 January 2020	1,564	-	1,564
Additions	1,685	6	1,691
At 31 December 2020	3,249	6	3,255
FX retranslation	(197)	-	(197)
At 1 January 2021	3,052	6	3,058
Additions	1,425	2	1,427
At 31 December 2021	4,477	8	4,485
FX retranslation	225	1	226
At 1 January 2022	4,702	9	4,711
Additions	526	-	526
At 31 December 2022	5,228	9	5,237
Amortisation			
At 1 January 2020	160	-	160
Amortisation charge	444	-	444
At 31 December 2020	604	-	604
FX retranslation	(37)	-	(37)
At 1 January 2021	567	-	567
Amortisation	725	1	726
At 31 December 2021	1,292	1	1,293
FX retranslation	65	-	65
At 1 January 2022	1,357	1	1,357
Amortisation	908	8	916
At 31 December 2022	2,265	9	2,274
Net Book Value			
At 31 December 2022	2,963	-	2,963
At 31 December 2021	3,185	7	3,192
At 31 December 2020	2,645	6	2,651

Management has conducted an annual impairment review with no other events calling on a review more frequently. Management observed that the intangible assets continue to generate income and with continued maintenance believe the assets will generate income for at least the next 5 years and therefore the value is in excess of its carrying value and in line with its amortisation schedule. Management concluded no impairment is required.

13 Trade and other receivables

	FY-22 £'000	FY-21 £'000	FY-20 £'000
Trade receivables	434	459	427
Other receivables	236	888	791
Deferred tax	1,073	548	273
Prepayments	57	64	11
Total	1,800	1,959	1,502

Trade and other receivables have typical terms of payment within 60 days. There are no past due receivables.

The movement on deferred tax is as follows:

	FY-22	FY-21	FY-20
	£'000	£'000	£'000
Balance brought forward	549	273	33
Tax losses	256	89	122
Temporary differences - amortisation	213	165	112
Other	54	22	6
Balance carried forward	1,072	549	273

14 Cash and cash equivalents

	FY-22	FY-21	FY-20
	£'000	£'000	£'000
Cash	3	143	2
Total	3	143	2

15 Trade and other payables

	FY-22	FY-21	FY-20
	£'000	£'000	£'000
Trade payables	2,193	1,546	1,362
Taxation and social security	1,528	1,166	651
Deferred tax liability	10	14	-
Shareholder loan	2,617	2,177	1,052
Accruals and other payables	604	1,007	1,045
Total	6,952	5,910	4,110

Included in Accruals and other payables is a balance owed to its shareholder for FY-22: £0 (FY-21: £477,000, FY-20: £344,000).

The shareholder loan has no terms, no interest and payable on demand.

16 Post-employment benefits obligation

The post-employment benefits obligation related to the so called TFR (Trattamento di fine rapporto) in Italy. There is no severance pay or redundancy compensation as such. However, upon termination of the employment relationship, the employee receives the TFR, which is a part of workers' wages whose payment is deferred upon termination of the employment relationship. Under IAS 19 Employee Benefits this provision is accounted, and disclosed, as a post-employment benefit obligation.

	FY-22	FY-21	FY-20
	£'000	£'000	£'000
Post-employment benefits	224	255	220
Total	224	255	220

The movement on post-employment benefits provision is as follows:

	FY-22	FY-21	FY-20
	£'000	£'000	£'000
Post-employment benefits			
Brought forward	255	220	2
FX movement	13	(13)	-
Balance brought forward	268	206	2

Service cost	48	51	5
Interest cost	6	1	1
Benefits paid	(30)	(13)	(2)
Transfers in	-	-	140
Actuarial losses on experience	3	7	71
Actuarial losses on modification of financial assumptions	(71)	3	3
Total	224	255	220

The sensitivity of the post-employment benefits obligation to changes in the assumptions is as follows:

Impact on post-employment benefit obligation

Change in assumption	FY-22 £'000	FY-21 £'000	FY-20 £'000
Turnover rate add 1%	2	2	2
Turnover rate reduce by 1%	(2)	(2)	(2)
Inflation rate add 0.25%	5	6	5
Inflation rate reduce by 0.25%	(4)	(5)	(4)
Discount rate add 0.25%	(6)	(7)	(6)
Discount rate reduce by 0.25%	7	8	7

17 Borrowings

	FY-22 £'000	FY-21 £'000	FY-20 £'000
Non-current			
Long-term loans	12	-	43
Current			
Short-term loans	28	21	99
Total	40	21	142

18 Share capital

	FY-22	FY-21	FY-20
Number of ordinary shares	150,000	150,000	150,000
Par value	€1	€1	€1
Aggregate nominal value	€150,000	€150,000	€150,000
Aggregate nominal value (£)	126,689	126,689	126,689

The group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid.

19 Reserves

RegTech Italy's reserves are as follows:

- Retained earnings include all current and prior period results as disclosed in the statement of comprehensive income.

- Actuarial gains/losses on defined benefit plans as disclosed in the statement of comprehensive income.
- Legal reserve as disclosed in the statement of comprehensive income.
- Other reserve created from the acquisition of Orbit on 30 December 2019, as disclosed in the statement of comprehensive income.

20 Related party transactions

On 25 July 2022, RegTech Italy entered into an agreement with Supply@ME Capital plc, pursuant to which RTOP was engaged to build and create a number of BCM modules, including "data factory" (*i.e.*, data ingestion and business rule application), and, in FY-22, €318,000 excluding VAT (or €387,000 including VAT) was expensed.

Summary of amounts owed to the major shareholder, TAG, including in balances are:

	FY-22 £'000	FY-21 £'000	FY-20 £'000
Shareholder loan	2,617	2,177	1,052
Accruals and other payables	0	477	344
Total	2,617	2,654	1,396

21 Ultimate controlling entity

The ultimate controlling entity for FY-22, FY-21 and FY-20, respectively, was The AvantGarde Group S.p.A. registered in Italy.

22 Post-balance sheet events

On 29 July 2023, the shareholder loan from The AvantGarde Group S.p.A., note 20, was converted to share capital.

PART XIII

TAXATION

Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the UK tax law and His Majesty's Revenue & Customs ("**HMRC**") practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time.

The following information is not exhaustive and does not apply to potential investors:

- who intend to acquire Ordinary Shares as part of tax avoidance arrangements or otherwise with a purpose of avoiding tax;
- with special tax treatment, such as pension funds or charities; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that UK tax law and HMRC practice and interpretation thereof can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares.

Shareholders

Taxation of dividends

UK resident and domiciled or deemed domiciled individual Shareholders

Shareholders who are UK resident and domiciled or deemed domiciled individuals have the benefit of an annual dividend allowance of £1,000 (for the UK tax year ending 5 April 2024 ("**2023/2024**") (the "**Nil Rate Amount**"), meaning that they will pay no UK income tax on the first £1,000 of dividend income received in the 2023/2024 tax year.

Dividend income in excess of this allowance (taking account of any other dividend income received by the Shareholder in the same tax year) will be taxed at the following rates for 2023/2024:

- 8.75% to the extent that it falls below the threshold for higher rate income tax;
- 33.75% to the extent that it falls above the threshold for higher rate income tax and below the additional rate band; and
- 39.35% to the extent that it falls above the threshold for the additional rate band.

For the purposes of determining which of the taxable bands dividend income falls into, dividend income is treated as the highest part of a Shareholder's income. In addition, dividends within the Nil Rate Amount count towards an individual's basic and higher rate limits for the purposes of determining whether the threshold for higher rate or additional rate income tax is exceeded and will therefore affect the level of savings allowance to which they are entitled.

Corporate Shareholders within the charge to UK corporation tax

Shareholders within the charge to UK corporation tax which are "small companies" for the purposes of the UK taxation of dividends legislation will generally be exempt from UK corporation tax on dividends from the Company provided certain conditions are met (including an anti-avoidance condition).

Other corporate Shareholders within the charge to UK corporation tax will be liable to UK corporation tax on dividends from the Company unless the dividends fall within an exempt class and certain conditions are met. Examples of dividends that fall within exempt classes include dividends paid on shares that are non-redeemable ordinary shares, and dividends paid to a person holding less than 10% of the issued share capital of the Company and who would be entitled to less than 10% of the profits or assets of the Company available for distribution.

However, the exemptions are not comprehensive and are subject to anti-avoidance rules and other conditions. If the conditions for exemption are not met, a Shareholder within the charge to corporation tax will be subject to UK corporation tax on dividends received from the Company at 25% from 1 April 2023. Such Shareholders should seek independent advice with respect to their tax position.

Withholding tax on Ordinary Shares

Under current UK tax legislation, no tax is withheld from dividends paid by the Company to Shareholders.

Taxation of capital gains

The amount paid for the Ordinary Shares will generally constitute the base cost of a Shareholder's holding. A disposal or deemed disposal of all or any of the Ordinary Shares by UK resident Shareholders, depending on the circumstances of the relevant Shareholder and subject to any available exemption of relief, may give rise to a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains.

UK resident individual Shareholders

Where an individual Shareholder who is tax resident in the UK disposes of (or is deemed to dispose of) Ordinary Shares at a gain, capital gains tax will be levied to the extent that the gain exceeds (taking into account any other taxable gains realised in that tax year) the annual exempt amount (£6,000 for 2023/2024), and after taking account of any capital losses or exemptions available to the individual.

On 17 November 2022, the UK government announced that the annual exempt amount would reduce to £3,000 from April 2024 and that this would be legislated for in Autumn Finance Bill 2023. For such individuals, capital gains tax will be charged at 10% (to the extent the gains fall within the basic rate band) or 20% (to the extent the gain falls within the higher or additional rate band).

Where an individual Shareholder who is resident in the UK disposes of Ordinary Shares at a loss, the loss should be available to offset against other current year gains or carried forward to offset against future gains.

UK resident corporate Shareholders

Where a Shareholder is within the charge to UK corporation tax, a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain subject to UK corporation tax (currently at a rate of 19%) or allowable loss, depending on the circumstances and subject to any available exemption or relief. The main rate of corporation tax increased to 25% from 1 April 2023.

Inheritance tax

The Ordinary Shares will be assets situated in the UK for the purposes of UK inheritance tax.

A gift of such assets by, or the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax, even if the holder is neither domiciled in the UK nor deemed to be domiciled there for inheritance tax purposes (under certain rules relating to length of residence or previous domicile).

Generally, UK inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to death of the donor.

For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift, and particular rules apply to gifts where the donor reserves or retains some benefit. Special rules also apply to close companies and to trustees of settlements who hold Ordinary Shares, bringing them within the charge to inheritance tax.

Holders of Ordinary Shares should consult an appropriate professional adviser if they make a gift of any kind or intend to hold any Ordinary Shares through such a company or trust arrangement, or in a situation where there is potential for a charge both to UK inheritance tax and to a similar tax in another jurisdiction, or if they are in any doubt about their UK inheritance tax position.

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

The statements in this section are intended as a general guide to the current UK stamp duty and SDRT position and apply to Shareholders irrespective of their residence and are intended to be a general guide to the current stamp duty and SDRT position. Investors should note that certain categories of person are not liable to stamp duty or SDRT, and others may be liable at a higher rate or may, although not primarily liable for tax, be required to notify and account for SDRT under the Stamp Duty Reserve Tax Regulations 1986.

Subsequent transfers of Ordinary Shares registered on the principal share register

Subject to an exemption for certain low value transactions, the transfer on sale of Ordinary Shares held outside CREST will generally give rise to a liability, usually met by the purchaser, to stamp duty at the rate of 0.5% (rounded up to the nearest multiple of £5) of the amount or value of consideration paid. An agreement to transfer such shares which is or becomes unconditional will generally give rise to SDRT at the rate of 0.5% of the amount or value of the consideration paid, such SDRT generally being payable by the transferee or purchaser. The liability to SDRT will generally be cancelled or any SDRT paid refunded if the agreement is completed by a duly stamped transfer within six years of either the date of the agreement or, if the agreement was conditional, the date when the agreement became unconditional.

No stamp duty or SDRT will arise on a transfer of Ordinary Shares into CREST, provided that, in the case of SDRT, the transfer is not for money or money's worth. A transfer of Ordinary Shares effected on a paperless basis through CREST will generally be subject to SDRT at the rate of 0.5% of the amount or value of the consideration payable, which will be collected and accounted for to HMRC by CREST (such SDRT liability generally being borne by the transferee or purchaser). If the transferee is a company connected with the seller (or a nominee of such a company), stamp duty or SDRT (as appropriate) may be chargeable on the higher of (i) the amount or value of the consideration and (ii) the market value of the Ordinary Shares acquired.

Shares held through clearance systems or depositary receipt arrangements

Special rules apply where shares are issued or transferred to, or to a nominee or agent for, either a person whose business is or includes issuing depositary receipts or a person providing a clearance service, under which SDRT or stamp duty may be charged at a rate of 1.5%, with subsequent transfers within the clearance service or transfers of depositary receipts then being free from SDRT or stamp duty.

However, following decisions of the Court of Justice of the European Union and the First-Tier Tribunal, HMRC accepts that this charge is in breach of EU law in so far as it applies to new issues of shares that are an integral part of raising new capital, although this view has not yet been reflected by a change in UK tax legislation. The UK has passed legislation, the European Union (Withdrawal) Act 2018, to

preserve the effect of the decisions referred to above following the UK's exit from the European Union, and this will remain the position unless the relevant legislation is amended. The UK Government has previously stated that it does not propose to reintroduce the 1.5% charge.

HMRC's published view is that the 1.5% SDRT or stamp duty charge continues to apply to other transfers of shares into a clearance service or depositary receipt arrangement (unless they are an integral part of raising new capital). In view of the continuing uncertainty, specific professional tax advisers should be engaged before incurring a 1.5% stamp duty or SDRT charge in any circumstances.

Close company

As at the date of this Prospectus, it is likely that the Company is a close company within the meaning of Part 10 of the Corporation Tax Act 2010 and will continue to be so immediately following Admission. As a result, certain transactions entered into by the Company or other members of the Group may, in certain circumstances, have tax implications for a Shareholder (including, but not limited to, implications related to UK inheritance tax and/or implications related to the Shareholder's base cost in the Ordinary Shares for the purposes of UK taxation of capital gains). There may also be consequences for certain Shareholders in relation to dividends they receive or become entitled to from the Company if they cease to be resident in the UK for tax purposes and then return to the UK.

A close company includes a company that is controlled by five or fewer participators. "Control" is defined very widely, and the interests of certain associated persons can be aggregated together. It is likely that this will be the case in relation to the Company. There are limited exceptions from close company status for listed companies meeting certain conditions, which may not be satisfied in the case of the Company immediately following Admission.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE ORDINARY SHARES. THIS SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS AT THE DATE OF THIS PROSPECTUS AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO THEIR TAX POSITION OR WHERE THEY RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT THEIR PROFESSIONAL ADVISER.

PART XIV

ADDITIONAL INFORMATION

1. Responsibility

The Company and the Directors, whose names appear on page 33 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

2. The Company

- 2.1 The Company is domiciled in England & Wales.
- 2.2 The Company was incorporated in England & Wales on 10 March 2023 as a public limited company under the Companies Act with an indefinite life and company number 14721885.
- 2.3 The Company's LEI is 21380067ZMA5LECFSL38.
- 2.4 The Company is not regulated by the FCA or any financial services or other regulator. With effect from Admission, the Company will be subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the FCA), to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules.
- 2.5 The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares have been created, is the Companies Act and the regulations made thereunder. The Company operates in conformity with its constitution.
- 2.6 The Company is subject to the Takeover Code.
- 2.7 The Registered Office is at 9th Floor, 107 Cheapside, London EC2V 6DN, United Kingdom.
- 2.8 The Company's telephone number is +44 (0)20 7862 4600.
- 2.9 The Company's website is <https://regtechopenproject.co.uk/>.

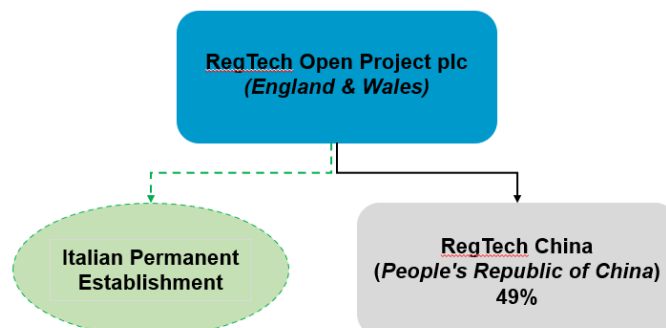
3. Group structure

Pursuant to the Corporate Reorganisation, on 14 August 2023, RegTech Italy, a wholly-owned subsidiary of TAG which was incorporated on 15 November 2017, contributed its entire business and assets, principally comprising the Orbit Open Platform, and transferred all its liabilities to a newly established permanent establishment in Italy (which is not a separate legal entity) of the Company. As a result, the Company became the owner and operator of the Orbit Open Platform, and the holding company of the Group. The Corporate Reorganisation also included the transfer by RegTech Italy to the Company of the following interest in a subsidiary undertaking:

Entity	Jurisdiction	Date of incorporation	Registered address	Company number	Percentage ownership
RegTech China ¹	PRC	8 November 2022	No.101-01, Floor 1, Building 14, No. 20, Guangde Avenue, Beijing Economic-Technological Development Zone (Daxing), Beijing, PRC	91110400 MAC1MXDL42	49%

¹ RegTech China was incorporated pursuant to the RegTech China JVA. RegTech China has been dormant and has not traded or commenced operations since its incorporation, nor will it trade or commence operations prior to Admission.

The following diagram is a simplified structure chart of the Group as at the date of this Prospectus and on Admission:



As consideration for the Contribution, the Company allotted and issued 11,950,000 new ordinary shares of nominal value £1.00 each to RegTech Italy.

4. Share capital of the Company

- 4.1 The Company was incorporated on 10 March 2023 with a share capital of 50,000 ordinary shares of nominal value £1.00 each ("**Subscriber Shares**"), which were held by TAG.
- 4.2 Pursuant to the Contribution Agreement, RegTech Italy contributed its entire business and assets, including the Orbit Open Project, and transferred all its liabilities to the Company. In consideration for the Contribution, the Company allotted and issued 11,950,000 new ordinary shares of nominal value £1.00 each in the capital of the Company to RegTech Italy.
- 4.3 Following the Contribution, the Company carried out the Subdivision, pursuant to which the Company subdivided its entire issued share capital of 12,000,000 ordinary shares of nominal value £1.00 each into 60,000,000 Ordinary Shares.
- 4.4 Following the Subdivision and as at the date of this Prospectus, RegTech Italy holds 59,750,000 Ordinary Shares and TAG holds 250,000 Ordinary Shares. RegTech Italy is a wholly-owned subsidiary of TAG.
- 4.5 Since incorporation, the Company's share capital has been issued in conformity with the laws of England & Wales.
- 4.6 Immediately following Admission, the issued share capital of the Company is expected to be £60,000,000, comprising 60,000,000 Ordinary Shares (all of which shall be fully paid or credited as fully paid).
- 4.7 On 18 August 2023, the then Shareholders, TAG and RegTech Italy, passed the following resolutions at a general meeting:
 - (a) an ordinary resolution, in accordance with section 551 of the Companies Act, that the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company on and subject to such terms as the Directors may determine up to an aggregate nominal value of £1,500,000 in connection with the Warrants to be allotted for a period expiring five years after the date of passing of this ordinary resolution, unless previously renewed, varied or revoked by the Company in a general meeting, save that the Company may make offers and enter into agreements before the authority expires which would, or might,

require shares in the Company to be allotted, or rights to subscribe for or convert securities into shares to be granted and the Directors may allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company in pursuance of such offer or agreement, notwithstanding that the authority conferred by this ordinary resolution has expired. The authority granted by this ordinary resolution shall replace all existing authorities to allot any shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company previously granted to the Directors pursuant to section 551 of the Companies Act but without prejudice to any allotment of shares in the Company or grant of rights to subscribe for or to convert any security into shares in the Company already made or offered or agreed to be made pursuant to such authorities;

- (b) an ordinary resolution, in accordance with section 551 of the Companies Act, that, in addition to the authority granted by the ordinary resolution in paragraph 4.7(a), the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company on and subject to such terms as the Directors may determine up to an aggregate nominal value of £2,400,000 to be allotted, provided that this authority shall expire on the date falling 15 months from the date this ordinary resolution is passed or if earlier the date of the Company's next annual general meeting ("**AGM**"), save that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares in the Company to be allotted, or rights to subscribe for or convert securities into shares to be granted and the Directors may allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company in pursuance of such offer or agreement, notwithstanding that the authority conferred by this ordinary resolution has expired. The authority granted by this ordinary resolution shall be in addition to the existing authorities to allot any shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company previously granted to the Directors pursuant to section 551 of the Companies Act pursuant to paragraph 4.7(a), and shall be without prejudice to any allotment of shares in the Company or grant of rights to subscribe for or to convert any security into shares in the Company already made or offered or agreed to be made pursuant to such authorities;
- (c) a special resolution, that the Directors be generally empowered pursuant to section 570 of the Companies Act to allot equity securities (as defined by section 560(1) of the Companies Act) for cash under the authority given by the ordinary resolution in paragraph 4.7(a) in connection with the Warrants as if section 561 of the Companies Act did not apply to any such allotment for a period expiring (unless previously renewed, varied or revoked by the Company in a general meeting) five years after the date on which this special resolution is passed save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities (as defined by section 560(1) of the Companies Act) to be allotted after such expiry and the Directors may allot equity securities (as defined by section 560(1) of the Companies Act) in pursuance of any such offer or agreement notwithstanding that the power conferred by this special resolution has expired;
- (d) a special resolution, that, in addition to the authority granted by the special resolution in paragraph 4.7(c), the Directors be generally empowered pursuant to section 570 of the Companies Act to allot equity securities (as defined by section 560(1) of the Companies Act) for cash under the authority given by the ordinary resolution in paragraph 4.7(b) as if section 561 of the Companies Act did not apply to any such allotment, provided that this authority shall expire on the date falling 15 months from the date this special resolution is passed or if earlier the date of the Company's next AGM, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities (as defined by section 560(1) of the Companies Act) to be allotted after such expiry and the Directors may allot equity securities (as defined by section 560(1) of the Companies Act) in pursuance of any

such offer or agreement notwithstanding that the power conferred by this special resolution has expired; and

- (e) a special resolution to allow any general meeting of the Company, other than an AGM, to be called by notice of not less than 14 clear days, provided that the authority for this resolution shall expire at the conclusion of the next AGM.

- 4.8 The following table shows the issued and fully paid shares of the Company as at the date of this Prospectus:

Class	Number	Amount paid
Ordinary Shares	60,000,000	£12,000,000

- 4.9 The following table shows the issued and fully paid shares of the Company as at the date of Admission:

Class	Number	Amount paid
Ordinary Shares	60,000,000	£12,000,000

- 4.10 All of the issued Ordinary Shares are in registered form, and capable of being held in certificated or uncertificated form.

- 4.11 The Registrar is responsible for maintaining the Register.

- 4.12 Temporary documents of title will not be issued.

- 4.13 The currency in which the Ordinary Shares are denominated is Pounds Sterling.

- 4.14 The Ordinary Shares have a nominal value of £0.20 each, and are in registered form, may be held in either certificated or uncertificated form and title to such uncertificated shares may be transferred by means of a relevant system (as defined in the CREST Regulations).

- 4.15 There are no shares in issue that are not fully paid.

- 4.16 The term of the Ordinary Shares is perpetual.

- 4.17 The Company has only Ordinary Shares in issue and no shares which do not represent capital.

- 4.18 No Ordinary Shares are held by or on behalf of the Company or by any subsidiary or subsidiary undertaking of the Company.

- 4.19 As at the date of this Prospectus, save for the Warrants, as specified in paragraph 18.10 of *Part XIV – Additional Information* of this Prospectus, the Company has no warrants, options or other dilutive instruments in issue.

- 4.20 As at the date of Admission, save for the Warrants, as specified in paragraph 18.10 of *Part XIV – Additional Information* of this Prospectus, the Company will not have any warrants, options or other dilutive instruments in issue.

- 4.21 Save as disclosed in this Prospectus:

- (a) no Ordinary Share or loan capital of the Company has been issued or is proposed to be issued;
- (b) no person has any preferential subscription rights for any Ordinary Shares in the Company;

- (c) no Ordinary Share or loan capital of the Company is unconditionally to be put under option; and
 - (d) no commissions, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan capital of the Company.
- 4.22 The Ordinary Shares are not listed or traded on, and no application has been or is being made for the admission of the Ordinary Shares to listing or trading on any other stock exchange or securities market.

5. Articles

- 5.1 The Articles were adopted by the Company on incorporation. A non-exhaustive summary of the terms of the Articles is set out below.
- 5.2 The Articles contain no specific restrictions on the Company's objects and therefore, by virtue of section 31(1) of the Companies Act, the Company's objects are unrestricted.
- 5.3 The Articles contain, *inter alia*, provisions to the following effect:

(a) ***Share capital***

The Company's issued share capital currently consists of Ordinary Shares.

The Company may issue shares with such rights or restrictions as may be determined by ordinary resolution, including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares.

(b) ***Voting rights***

Shareholders have the right to receive notice of, and to vote at, general meetings of the Company. Such notice shall specify whether the meeting shall be a physical, electronic or hybrid meeting.

Any resolution put to the vote of a general meeting must be decided exclusively on a poll.

Votes may be given in person at the meeting or by proxy.

A member entitled to more than one vote need not, if he votes, use all their votes or cast all the votes he uses in the same way. Every such holder who is present in person (or, being a corporation, by representative) or by proxy has one vote in respect of every share held by such holder.

(c) ***Variation of rights***

Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class and may be so varied and abrogated whilst the Company is a going concern or during or in contemplation of a winding up.

(d) ***Dividends***

The Company may, subject to the provisions of the Companies Act and the Articles, by ordinary resolution from time to time declare dividends to be paid to members not exceeding the amount recommended by the Directors. Subject to the provisions of the Companies Act in so far as, in the Directors' opinions, the Company's profits justify such payments, the Directors may pay interim dividends on any class of shares.

The Company may, by ordinary resolution of the Company direct, or in the case of an interim dividend may without the authority of an ordinary resolution direct, that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets.

Any dividend unclaimed after a period of 12 years from the date such dividend was declared or became payable shall, if the Directors resolve, be forfeited and shall revert to the Company. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

(e) ***Rights on a winding up***

Ordinary Shares do not carry any rights to participate in a capital distribution (including on a liquidation) other than those that exist as a matter of law.

Under the Companies Act, upon a liquidation, after the claims of creditors have been satisfied and subject to any special rights attaching to any other class of shares in the Company, surplus assets (if any) are distributed among Shareholders in proportion to the number and nominal amounts of their Ordinary Shares.

(f) ***Transfer of Ordinary Shares***

Each member may transfer all or any of their shares which are in certificated form by means of an instrument of transfer in any usual form or in any other form which the Directors may approve. Each member may transfer all or any of their shares which are in uncertificated form by means of a 'relevant system' (*i.e.*, the CREST System) in such manner provided for, and subject as provided in, the CREST Regulations.

The Board may, in its absolute discretion, refuse to register a transfer of certificated shares unless:

- (i) it is for a share which is fully paid up;
- (ii) it is for a share upon which the Company has no lien;
- (iii) it is only for one class of share;
- (iv) it is in favour of a single transferee or no more than four joint transferees;
- (v) it is duly stamped or is duly certificated or otherwise shown to the satisfaction of the Board to be exempt from stamp duty; and
- (vi) it is delivered for registration to the registered office of the Company (or such other place as the Board may determine), accompanied (except in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued or in the case of a renunciation) by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor (or person renouncing) and the due execution of the transfer or renunciation by them or, if the transfer or renunciation is executed by some other person on their behalf, the authority of that person to do so.

The Directors may refuse to register a transfer of uncertificated shares in any circumstances that are allowed or required by the CREST Regulations and the CREST System.

(g) ***Allotment of shares and pre-emption rights***

Subject to the Companies Act and to any rights attached to existing shares, any share may be issued with or have attached to it such rights and restrictions as the Company may by ordinary resolution determine, or if no ordinary resolution has been passed or so far as the resolution does not make specific provision, as the Directors may determine (including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares).

In accordance with section 551 of the Companies Act, the Directors may be generally and unconditionally authorised to exercise all the powers of the Company to allot shares up to an aggregate nominal amount equal to the amount stated in the relevant ordinary resolution authorising such allotment. The authorities summarised in paragraph 4.7(a) and 4.7(b) were included in the ordinary resolutions passed by the then Shareholders at a general meeting on 18 August 2023 and remain in force as at the date of this Prospectus.

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 paid up in cash) apply to the Company except to the extent disapplied by special resolution of the Company. Such pre-emption rights have been disapplied to the extent referred to in paragraphs 4.7(c) and 4.7(d) pursuant to the special resolutions passed by the then Shareholders at a general meeting on 18 August 2023 and remain in force as at the date of this Prospectus.

(h) ***Alteration of share capital***

The Company may by ordinary resolution consolidate or divide all of its share capital into shares of larger nominal value than its existing shares, or cancel any shares which, at the date of the ordinary resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the nominal amount of shares so cancelled or sub-divide its shares, or any of them, into shares of smaller nominal value.

The Company may, in accordance with the Companies Act, reduce or cancel its share capital or any capital redemption reserve or share premium account in any manner and with and subject to any conditions, authorities and consents required by law.

(i) ***Directors***

Unless otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall be at least two and not more than 15.

Subject to the Articles and the Companies Act, the Company may by ordinary resolution appoint a person who is willing to act as a Director and the Board shall have power at any time to appoint any person who is willing to act as a Director, in both cases either to fill a vacancy or as an addition to the existing Board.

At each AGM, all Directors shall retire from office except any Director appointed after the notice of that AGM has been given and before that AGM has been held. A Director who retires at an AGM shall (unless such Director is removed from office or their office is vacated in accordance with the Articles) retain office until the close of the meeting at which such Director retires or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to elect another person in such Director's place or the resolution to re-appoint such Director is put to the meeting and lost. If the Company, at any

meeting at which a Director retires does not fill the office vacated by such Director, the retiring Director, if willing to act, shall be deemed to be re-appointed unless at that meeting a resolution is passed not to fill the vacancy or elect another person in such Director's place or unless the resolution to re-appoint them is put to the meeting and lost. Subject to the provisions of the Articles, the Board may regulate their proceedings as they think fit. A Director may, and the Company Secretary at the request of a Director shall, call a meeting of the Directors.

The quorum for a Directors' meeting shall be fixed from time to time by a decision of the Directors, but it must never be less than two and unless otherwise fixed, it is two.

Questions and matters requiring resolution arising at a meeting shall be decided by a majority of votes of the participating Directors, with each director having one vote. In the case of an equality of votes, the chair will have a second or casting vote.

The Directors shall be entitled to receive such remuneration as the Directors shall determine for their services to the Company as directors and for any other service which they undertake for the Company provided that the aggregate fees payable to the Directors must not exceed £2,000,000 per annum or such higher amount as may from time to time be decided by ordinary resolution of the Company. The Directors shall also be entitled to be paid all reasonable expenses properly incurred by them in connection with their attendance at meetings of Shareholders or class meetings, Board or committee meetings or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

The Board may, in accordance with the requirements in the Articles, authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching their duty under the Companies Act to avoid conflicts of interests.

A Director seeking authorisation in respect of such conflict shall declare to the Board the nature and extent of their interest in a conflict as soon as is reasonably practicable. The Director shall provide the Board with such details of the matter as are necessary for the Board to decide how to address the conflict together with such additional information as may be requested by the Board.

Any authorisation by the Board will be effective only if:

- (i) to the extent permitted by the Companies Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of the Articles;
- (ii) any requirement as to the quorum for consideration of the relevant matter is met without counting the conflicted Director and any other conflicted Director; and
- (iii) the matter is agreed to without the conflicted Director voting or would be agreed to if the conflicted Director's and any other interested Director's vote is not counted.

Subject to the provisions of the Companies Act, every Director, the Company Secretary or other officer of the Company (other than an auditor) is entitled to be indemnified against all costs, charges, losses, damages and liabilities incurred by them in the actual purported exercise or discharge of their duties or exercise of their powers or otherwise in relation to them.

(j) **General meetings**

The Company must convene and hold AGMs in accordance with the Companies Act.

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chair of the meeting which shall not be treated as part of the business of the meeting. Save as otherwise provided by the articles, two Shareholders present in person or by proxy and entitled to vote shall be a quorum for all purposes.

(k) ***Borrowing powers***

Subject to the Articles and the Companies Act, the Board may exercise all of the powers of the Company to:

- (i) borrow money;
- (ii) indemnify and guarantee;
- (iii) mortgage or charge;
- (iv) create and issue debentures and other securities; and
- (v) give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third-party.

(l) ***Capitalisation of profits***

The Directors may, if they are so authorised by an ordinary resolution of the Shareholders, decide to capitalise any undivided profits of the Company (whether or not they are available for distribution), or any sum standing to the credit of the Company's share premium account or capital redemption reserve. The Directors may also, subject to the aforementioned ordinary resolution, appropriate any sum which they so decide to capitalise to the persons who would have been entitled to it if it were distributed by way of dividend and in the same proportions.

(m) ***Uncertificated shares***

Subject to the Companies Act, the Directors may permit title to shares of any class to be issued or held otherwise than by a certificate and to be transferred by means of a 'relevant system' (i.e., the CREST System) without a certificate.

The Directors may take such steps as it sees fit in relation to the evidencing of and transfer of title to uncertificated shares, any records relating to the holding of uncertificated shares and the conversion of uncertificated shares to certificated shares, or *vice versa*.

The Company may by notice to the holder of an uncertificated share, require that share to be converted into certificated form.

The Board may take such other action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it.

6. Other relevant laws and regulations

6.1 *Mandatory bid*

- (a) The Takeover Code is issued and administered by the Takeover Panel. The Takeover Code applies to all takeover and merger transactions, however effected, where the offeree company is, *inter alia*, a listed public company with its registered office in the

UK. The Company is such a company and its Shareholders are entitled to the protections afforded by the Takeover Code and its provisions.

- (b) Under the Takeover Code, where:
- (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which such person is already interested, and in which persons acting in concert with such person are interested) carry 30% or more of the voting rights of a company; or
 - (ii) any person who, together with persons acting in concert with such person, is interested in shares which in the aggregate carry not less than 30% of the voting rights of a company but does not hold shares carrying more than 50% of such voting rights and such person, or any person acting in concert with such person, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which such person is interested;

such person shall, except in limited circumstances, be obliged to extend offers, on the basis set out in Rules 9.3, 9.4 and 9.5 of the Takeover Code, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights. Offers for different classes of equity share capital must be comparable; the Takeover Panel should be consulted in advance in such cases.

- (c) An offer under Rule 9 must be in cash and at the highest price paid for any interest in the shares by the person required to make an offer or any person acting in concert with such person during the 12 months prior to the announcement of the offer.

6.2 **Concert party**

- (a) Under the Takeover Code, a "concert party" arises, *inter alia*, when persons who, pursuant to an agreement or understanding (whether formal or informal and whether or not in writing), co-operate, through an acquisition by them of an interest in shares in a company, to obtain or consolidate control of that company.
- (b) Under the Takeover Code, "control" means an interest, or interests, in shares carrying in aggregate 30% or more of the voting rights of a company, irrespective of whether such interest or interests give *de facto* control. In this context, voting rights means all the voting rights attributable to the capital of the company which are currently exercisable at a general meeting.
- (c) The Takeover Code also states that, directors of a company will be presumed to be acting in concert with the company of which they are a director.
- (d) In addition, shareholders in a private company which, in connection with an initial listing, re-registers as a public company and accordingly becomes a company which is subject to the Takeover Code, will be presumed to be persons who are acting in concert with each other unless the contrary is established.
- (e) On Admission, RegTech Italy is expected to hold 38,753,000 Ordinary Shares representing 64.6% of the Company's issued share capital and TAG is expected to hold 250,000 Ordinary Shares representing 0.4% of the Company's issued share capital. As a result, TAG, through its direct shareholding in the Company and its indirect shareholding in the Company via RegTech Italy (a wholly-owned subsidiary of TAG) will be interested, in aggregate, in shares which carry more than 50% of the outstanding voting rights. As a consequence, TAG (and any persons acting in concert with it, including RegTech Italy) will be able to acquire further interests in Ordinary Shares without consequence under Rule 9, subject to the provisions of Note 4 on Rule 9.1 of the Takeover Code.

6.3 **Squeeze-out**

- (a) Under sections 979 to 982 of the Companies Act, if an offeror were to acquire 90% of the Ordinary Shares it could then compulsorily acquire the remaining 10%. It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their shares, provided that no such notice may be served after the end of: (i) the period of three months beginning with the day after the last day on which the offer can be accepted; or (ii) if earlier, and the offer is not one to which section 943(1) of the Companies Act applies, the period of six months beginning with the date of the offer.
- (b) Six weeks following service of the notice, the offeror must send a copy of it to the Company together with the consideration for the Ordinary Shares to which the notice relates, and an instrument of transfer executed on behalf of the outstanding Shareholder(s) by a person appointed by the offeror.
- (c) The Company will hold the consideration on trust for the outstanding Shareholders.

6.4 **Sell-out**

- (a) Sections 983 to 985 of the Companies Act also give minority Shareholders in the Company a right to be bought out in certain circumstances by an offeror who has made a takeover offer.
- (b) If a takeover offer relating to all the Ordinary Shares is made at any time before the end of the period within which the offer could be accepted and the offeror held or had agreed to acquire not less than 90% of the Ordinary Shares, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares.
- (c) The offeror is required to give any Shareholder notice of their right to be bought out within one month of that right arising.
- (d) The offeror may impose a time limit on the rights of minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period, or, if longer a period of three months from the date of the notice.
- (e) If a Shareholder exercises their rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

6.5 **Shareholder notification and disclosure requirements**

- (a) Shareholders are obliged to comply with the shareholding notification and disclosure requirements set out in Chapter 5 of the DTRs. A Shareholder is required pursuant to Rule 5 of the DTRs to notify the Company if, as a result of an acquisition or disposal of shares or financial instruments, the Shareholder's percentage of voting rights of the Company reaches, exceeds or falls below, 3% of the nominal value of the Company's share capital or any 1% threshold above that.
- (b) The DTRs can be accessed and downloaded from the FCA's website at <https://www.handbook.fca.org.uk/handbook/DTR/>. Shareholders are urged to consider their notification and disclosure obligations carefully as a failure to make a required disclosure to the Company may result in disenfranchisement.

7. **Directors' and Senior Manager's interests**

- 7.1 In so far as it is known to the Company, the Directors and the Senior Manager will have the following interests in Ordinary Shares as at the date of this Prospectus, and are expected to be on Admission, directly or indirectly, interested (within the meaning of the Companies Act) will have the following interests in Ordinary Shares:

Name	<u>As at the date of this Prospectus</u>		<u>On Admission</u>	
	Number of Ordinary Shares	Percentage of issued share capital	Number of Ordinary Shares	Percentage of issued share capital
Westcott Hill Capital Limited (Albert Ganyushin) ¹	-	-	-	-
Ian Halliday-Pegg	-	-	-	-
David Blunt	-	-	-	-
Vineeta Manchanda	-	-	-	-
RegTech Italy and TAG (Alessandro Zamboni) ^{2 3}	60,000,000	100%	39,003,000	65%
Corrado Rosi	-	-	-	-

¹ Westcott Hill Capital Limited is ultimately beneficially wholly-controlled by Albert Ganyushin, Independent Non-Executive Chairman of the Company.

² As at the date of this Prospectus, TAG directly holds 250,000 Ordinary Shares, equating to 0.4% of the Company's issued share capital, and indirectly holds, via RegTech Italy (a wholly-owned subsidiary of TAG), 59,750,000 Ordinary Shares equating to 99.6% of the Company's issued share capital. The voting rights associated with the Ordinary Shares held by TAG indirectly via RegTech Italy are capable of being exercised by TAG.

³ Conditional on Admission, RegTech Italy shall dispose of 20,997,000 Ordinary Shares to various third-parties that are independent of TAG, RegTech Italy and the Company, such that approximately 35% of the listed class of Ordinary Shares will be in public hands (as defined in the Listing Rules). The Company is not party to the arrangements to be entered into between TAG or RegTech Italy and such independent third parties, save that the Company Secretary and the Registrar will be instructed accordingly to amend the Company's register and issue the Ordinary Shares in certificated and dematerialised form (as applicable). The Company will not receive any proceeds from the disposal or sale (as applicable) of such 20,997,000 Ordinary Shares, and none of the resultant Shareholders will hold more than or equal to 3% of the Company's issued share capital on Admission. On Admission, TAG will directly hold 250,000 Ordinary Shares, equating to 0.4% of the Company's issued share capital, and indirectly hold via RegTech Italy, 38,753,000 Ordinary Shares equating to 64.6% of the Company's issued share capital.

7.2 The Company shall issue, conditional on Admission:

- (a) 2,250,000 Warrants to RegTech Italy (which is ultimately beneficially wholly-controlled by Alessandro Zamboni, Non-Executive Director of the Company) as a commitment fee in connection with the Shareholder Facility;
- (b) 3,750,000 Warrants to TAG (which is ultimately beneficially wholly-controlled by Alessandro Zamboni, Non-Executive Director of the Company) relating to conversion of historic TAG shareholder loans to the Group; and
- (c) 1,500,000 Warrants to Westcott Hill Capital Limited (which is ultimately beneficially wholly-controlled by Albert Ganyushin) in relation to pre-Direct Listing business advisory services.

7.3 The Directors and the Senior Manager have not held any directorships of any company (other than the Company and its subsidiaries) or partnerships within the last five years, except as set forth below:

Name	Current	Past
Albert Ganyushin	Austen Grove Capital Limited (England & Wales) Supply@ME Capital plc (England & Wales) Westcott Hill Capital Limited (England & Wales) Wotton Hill Capital LLP (England & Wales)	Dr. Peters Asset Invest Ltd (England & Wales) Westcott Hill Limited (England & Wales)
Ian Halliday-Pegg	SaaS Growth Coach Limited (England & Wales)	ACL Europe Ltd. (England & Wales)
David Blunt	David Blunt Consulting Ltd (England & Wales)	-

Name	Current	Past
	Friends of the Hampshire County Youth Orchestra (<i>England & Wales</i>)	
	Winchester Chamber Music Festival Trust (<i>England & Wales</i>)	
	Winchester Symphony Orchestra (<i>England & Wales</i>)	
Vineeta Manchanda	Essex Cares Limited (<i>England & Wales</i>)	Sandwell Children's Trust (<i>England & Wales</i>)
	IBMDS Limited (<i>England & Wales</i>)	
	Money Advice Trust (<i>England & Wales</i>)	
Alessandro Zamboni	1AF2 Limited (<i>England & Wales</i>)	Abal (Goswell) Limited (<i>England & Wales</i>)
	AvantGarde 4.0 S.r.l. (<i>Italy</i>)	
	AZ Company S.r.l. (<i>Italy</i>)	
	Darwinsurance S.r.l. (<i>Italy</i>)	
	Future of Fintech S.r.l. (<i>Italy</i>)	
	Orchestra Group (<i>rete di imprese</i>) (<i>Italy</i>)	
	Supply@ME Capital plc (<i>England & Wales</i>)	
	Supply@ME S.r.l. (<i>Italy</i>)	
	Supply@ME Stock Company 2 S.r.l. (<i>Italy</i>)	
	Supply@ME Stock Company 3 S.r.l. (<i>Italy</i>)	
	Supply@ME Technologies S.r.l. (<i>Italy</i>)	
	The AvantGarde Group S.p.A. (<i>Italy</i>)	
Corrado Rosi	-	-

7.4 Save as disclosed in paragraphs 7.5, 7.6 and 7.7 of this *Part XIV – Additional Information* of this Prospectus, as at the date of this Prospectus, none of the Directors or the Senior Manager:

- (a) has any convictions in relation to fraudulent offences for at least the previous five years;
- (b) has been associated with any bankruptcy, receivership or liquidation or company put into administration while acting in the capacity of a member of the administrative, management or supervisory body or of senior manager of any company for at least the previous five years; or
- (c) has been subject to any official public incrimination and/or sanction of them by any statutory or regulatory authority (including any designated professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of an issuer or

from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

7.5 Albert Ganyushin has had the following associations:

- (a) he was a statutory director of the following company when it was placed into solvent liquidation as a result of a creditors' voluntary liquidation: Westcott Hill Limited (dissolved via voluntary strike-off on 10 August 2021); and
- (b) he is currently a statutory director of the following company, which has been placed into solvent liquidation as a result of a members' voluntary liquidation: Austen Grove Capital Limited (in the process of being dissolved via voluntary strike-off).

7.6 Alessandro Zamboni was a statutory director of the following company when it was placed into solvent liquidation as a result of a creditors' voluntary liquidation: Abal (Goswell) Limited (dissolved via voluntary strike-off on 17 November 2020).

7.7 Save as set out in paragraphs 7.8 and 7.9 and of this *Part XIV – Additional Information* of this Prospectus which specify potential conflicts of interest between any duties owed to RTOP by those Directors specified (namely, Albert Ganyushin and Alessandro Zamboni, none of the Directors or the Senior Manager has any potential conflicts of interest between their duties to RTOP and their private interests or other duties they may also have, as at the date of this Prospectus.

7.8 On 16 December 2022, RegTech Italy, Albert Ganyushin and Westcott Hill Capital Limited (a private limited company with registration number 13404779 ultimately beneficially wholly-controlled by Albert Ganyushin) entered into an English law governed consultancy agreement, pursuant to which Westcott Hill Capital Limited agreed to procure the pre-Direct Listing business advisory services of Albert Ganyushin, for £10,000 (plus VAT and disbursements) per calendar month plus all reasonable expenses properly and necessarily incurred connection with the provision of his services thereunder. Conditional on Admission, the Company has agreed to settle £70,000 in outstanding amounts owed by RegTech Italy to Westcott Hill Capital Limited in cash and further granted 1,500,000 Warrants to Westcott Hill Capital Limited in relation to services provided by Westcott Hill Capital Limited pursuant to such agreement. That agreement automatically terminated on Albert Ganyushin's appointment as Chair and Independent Non-Executive Director. Albert Ganyushin is Chair and an Independent Non-Executive Director, and therefore owes certain statutory and fiduciary duties to the Company. The duties which Albert Ganyushin owes to the Company may conflict with his interests as the ultimate beneficial owner of Westcott Hill Capital Limited in certain circumstances where the interests of Westcott Hill Capital Limited and the Company are not aligned, for example if Westcott Hill Capital Limited (directed by him) chooses to exercise and then sell any of the 1,500,000 Warrants granted to Westcott Hill Capital Limited, as any such exercise will have dilutive effect on the number of Ordinary Shares in issue and any exercise and sale of Ordinary Shares may negatively impact on investor sentiment in relation to RTOP and/or the price of the Ordinary Shares.

7.9 RegTech Italy, a major Shareholder and funder of the Company (pursuant to the agreements detailed at paragraphs 18.7 and 18.8 of this *Part XIV – Additional Information* of this Prospectus) is a wholly-owned subsidiary of TAG, which in turn is ultimately beneficially wholly-controlled by Alessandro Zamboni. Alessandro Zamboni is a Non-Executive Director, and therefore owes certain statutory and fiduciary duties to the Company. The duties which Alessandro Zamboni owes to the Company may conflict with his interests as the ultimate beneficial owner of TAG and RegTech Italy in certain circumstances where the interests of TAG or RegTech Italy and the Company are not aligned, for example if the Company becomes unable to repay any outstanding amounts under the Shareholder Facility or if RegTech Italy (directed by him) chooses to exercise and then sell any of the 2,250,000 Warrants granted to RegTech Italy as a commitment fee in connection with the Shareholder Facility and or if TAG (directed by him) chooses to exercise and then sell any of the 3,750,000 Warrants granted to TAG relating to conversion of historic TAG shareholder loans to the Group, as any such exercise will have dilutive effect on the number of Ordinary Shares in issue and any exercise and sale of Ordinary Shares may negatively impact on investor sentiment in relation to RTOP

and/or the price of the Ordinary Shares. The Board, with Alessandro Zamboni abstaining, has sought to mitigate such conflicts pursuant to a Relationship Agreement, paragraph 18.6 of *Part XIV – Additional Information* of this Prospectus.

- 7.10 There are no family relationships between any of the Directors or the Senior Manager.
- 7.11 Save as set out in paragraphs 7.8, 7.9, 18.7, 18.8, 20.2 and 20.3 of this *Part XIV – Additional Information* of this Prospectus, none of the Directors or the Senior Manager has, or has had, any interest in any transaction which is or was unusual in its nature or conditions or which is, or was, significant in relation to the business of RTOP and which was effected by any member of the Company during the current or immediately preceding 12 month period, or during any earlier 12 month period, and remains in any respect outstanding or underperformed.
- 7.12 There are no outstanding loans granted by the Company or any Group company to any of the Directors or the Senior Manager nor has any guarantee been provided by the Company or any Group company for their benefit.
- 7.13 As at the date of this Prospectus and Admission, none of the Directors or the Senior Manager hold any options over Ordinary Shares.
- 7.14 There are no arrangements or understandings with major Shareholders, customers, suppliers or others pursuant to which any of the Directors or the Senior Manager was selected as a statutory director or senior manager (as the case may be).

8. Executive Director's terms of employment

Ian Halliday-Pegg entered into a service agreement with the Company, dated 21 August 2023, with respect to his appointment as Chief Executive Officer and Executive Director on a full-time basis. Under his service agreement, he is entitled to a salary of £185,000 per annum. His service agreement has an initial term elapsing on the date of the Company's first AGM and is capable of termination by either party giving three months written notice to the other party. Upon termination, he will be entitled to a sum equal to that which would have been payable for the three-month notice period or the remainder thereof.

9. Non-Executive Directors' terms of appointment

- 9.1 Each of Albert Ganyushin, David Blunt, Vineeta Manchanda and Alessandro Zamboni have entered into a Non-Executive Director's letter of appointment with the Company, dated 21 August 2023.
- 9.2 Under the terms of the letters of appointment, a fee of:
 - (a) £150,000 per annum is payable to Albert Ganyushin, as Chair and Independent Non-Executive Director;
 - (b) £50,000 per annum is payable to David Blunt, as an Independent Non-Executive Director;
 - (c) £50,000 per annum is payable to Vineeta Manchanda, as an Independent Non-Executive Director; and
 - (d) £40,000 per annum is payable to Alessandro Zamboni, as a Non-Executive Director.
- 9.3 A further £10,000 per annum will be become payable to any Non-Executive Director who serves on one or more of the Remuneration Committee, Nomination Committee and/or Audit Committee as chair of such committee(s), in each case with retrospective effect to the date on which the appointment of the Non-Executive Director commenced.

- 9.4 Each of the Non-Executive Directors' appointments as a Non-Executive Director of the Company shall (subject to limited exceptions) be subject to termination by either party on a minimum of three months' written notice. Further, each Non-Executive Director is expected to spend a minimum of two (2) days per calendar month on work for the Company on such days and at times as are agreed between such Non-Executive Director and the Company.

10. Remuneration

10.1 *Directors' remuneration*

In FY-22, one Director was employed by RegTech Italy, Alessandro Zamboni (as an appointee of TAG), and in that period he incurred aggregated remuneration and benefits of £50,000, which are due and payable by RTOP to TAG.

There is no arrangement under which any Director has waived or agreed to waive future emoluments nor has there been any waiver of emoluments during the financial year immediately preceding the date of this Prospectus.

10.2 *Senior Manager's remuneration*

In FY-22, one Senior Manager worked for RegTech Italy, Corrado Rosi, and in that period, he received aggregated remuneration and benefits of £79,740.

There is no arrangement under which the Senior Manager has waived or agreed to waive future emoluments nor has there been any waiver of emoluments during the financial year immediately preceding the date of this Prospectus.

10.3 *RTOP's remuneration policy*

RTOP's remuneration policy has been reviewed to ensure that, following Admission, the policy incentivises and rewards long-term sustainable growth of RTOP, complies to the extent practicable with the QCA Code and is aligned to market best practice.

RTOP's remuneration strategy is to provide pay packages that attract, retain and motivate high-calibre talent to help ensure RTOP's continued growth and success, incorporating incentives that align with and support RTOP's business strategy. On Admission, the remuneration of the Executive Director will comprise of a base salary, pension, benefits, an annual bonus, and Non-Executive Directors will receive an annual fee.

The Company will formally propose the remuneration policy for approval by Shareholders at the Company's first AGM following Admission in accordance with the Large and Medium-sized Companies and Groups (Accounts and Report) Regulations 2008 (as amended). Subject to Shareholder approval, it is intended that the remuneration policy will apply for three years from the date of that AGM. Further details of RTOP's remuneration policy will be provided in the first Directors' remuneration report. It is expected that RTOP will put in place a long-term incentive plan following Admission.

11. Pensions

RTOP has not set aside or accrued any amounts to provide pension, retirement or similar benefits. All pension arrangements provided are defined contribution benefits.

12. Major Shareholders' interests

- 12.1 In so far as it is known to the Company, the following persons are as at the date of this Prospectus, and are expected to be on Admission, directly or indirectly, interested (within the meaning of the Companies Act) in 3% or more of the Company's issued share capital (being the threshold for notification of interests that will apply to Shareholders on Admission, pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules):

Shareholder	<u>As at the date of this Prospectus</u>		<u>On Admission</u>	
	Number of Ordinary Shares	Percentage of the issued share capital	Number of Ordinary Shares	Percentage of the issued share capital
TAG ^{1 2}	60,000,000	100%	39,003,000	65%

¹ As at the date of this Prospectus, TAG directly holds 250,000 Ordinary Shares, equating to 0.4% of the Company's issued share capital, and indirectly holds, via RegTech Italy (a wholly-owned subsidiary of TAG), 59,750,000 Ordinary Shares equating to 99.6% of the Company's issued share capital. The voting rights associated with the Ordinary Shares held by TAG indirectly via RegTech Italy are capable of being exercised by TAG.

² Conditional on Admission, RegTech Italy shall dispose of 20,997,000 Ordinary Shares to various third-parties that are independent of TAG, RegTech Italy and the Company, such that approximately 35% of the listed class of Ordinary Shares will be in public hands (as defined in the Listing Rules). The Company is not party to the arrangements to be entered into between TAG or RegTech Italy and such independent third parties, save that the Company's secretary, the Company Secretary and the Registrar will be instructed accordingly to amend the Company's register and issue the Ordinary Shares in certificated and dematerialised form (as applicable). The Company will not receive any proceeds from the disposal or sale (as applicable) of such 20,997,000 Ordinary Shares, and none of the resultant Shareholders will hold more than or equal to 3% of the Company's issued share capital on Admission. On Admission, TAG will directly hold 250,000 Ordinary Shares, equating to 0.4% of the Company's issued share capital, and indirectly hold via RegTech Italy, 38,753,000 Ordinary Shares equating to 64.6% of the Company's issued share capital.

- 12.2 Save as set out in paragraph 12.1 of this *Part XIV – Additional Information* of this Prospectus, the Company and the Directors are not aware of any person who, as at the date of this Prospectus, directly or indirectly, has a holding which is notifiable under English law or who directly or indirectly, jointly or severally, exercises or could exercise control over the Company, nor are they aware of any arrangements the operation of which may at a subsequent date result in a change of control over the Company.
- 12.3 Those interested, directly or indirectly, in 3% or more of the issued Ordinary Shares (as set out in paragraph 12.1 of this *Part XIV – Additional Information* of this Prospectus) do not as at the date of this Prospectus, and, on Admission, will not, have different voting rights from other Shareholders.
- 12.4 In accordance with Listing Rule 14.2.2, it is expected that on Admission approximately 35% of the listed class of Ordinary Shares will be in public hands (as defined in the Listing Rules).

13. Working capital

The Company is of the opinion that the working capital available to the Group is sufficient for the present requirements of the Group, that is, for at least 12 months from the date of this Prospectus.

14. Significant change

Save as set out below, there has been no significant change in the financial position or financial performance of the Group since 31 December 2022, being the end of the last financial period for which audited financial statements have been published:

- (a) on 14 August 2023, the Company and RegTech Italy completed the Contribution, pursuant to which RegTech Italy contributed its entire business and assets, principally comprising the Orbit Open Platform and the shares in RegTech China, and transferred all its liabilities to the Company, with the effect being that the Company has acquired the entire business, assets and liabilities of RegTech Italy (as further detailed in *Part XII – Historical Financial Information* of this Prospectus); and
- (b) on 11 April 2023, the Company constituted and issued £750,000 in principle amount of convertible loan notes to an independent third party (which are referred to in line J of the indebtedness table in *Part X – Capitalisation and Indebtedness* of this Prospectus. On 21 August 2023, the Company and the independent third party agreed to cancel all £750,000 convertible loan notes by procuring the repayment of such convertible loan notes.

15. Current investments

The Company has no current investments.

16. Investments in progress

The Company has no investments in progress.

17. Litigation

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 12 months preceding the date of this Prospectus, which may have, or have had in the recent past, a significant effect on the Company's and/or Group's financial position or profitability.

18. Material contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or another member of the Group:

- within the two years immediately preceding publication of this Prospectus which are, or may be, material to the Company or any member of the Group; or
- at any time and contain any provision under which the Company or any member of the Group has any obligation or entitlement which is, or may be, material to the Company or any member of the Group as at the date of this Prospectus.

18.1 PwC JBR

RegTech Italy and PwC entered into the PwC JBR, an Italian law governed joint business relationship agreement on 4 February 2022.

The PwC JBR provides for the inclusion of the Orbit Open Platform in PwC's proposals to the banking and financial market in Italy. The services of the parties may be offered jointly or separately to any potential customers and is limited to customers based in Italy unless otherwise expressly agreed in writing between the parties.

Pursuant to the PwC JBR, PwC provides various asset-based consultancy services to customers (the "**PwC Services**"), and RegTech Italy provides its own services (the "**RegTech Italy Services**") including, *inter alia*, the Orbit Open Platform, associated IT support, on no less favourable terms and conditions than those provided for in a standard purchase, sale, service or license agreement of RegTech Italy.

Pursuant to the PwC JBR, RegTech Italy gave certain customary warranties and undertakings to PwC. RegTech Italy also gave certain indemnities to PwC on customary terms.

The PwC JBR is valid until 31 December 2026 at which point it terminates automatically and is terminable by PwC at any time on the delivery of two (2) months' written notice to RegTech Italy. Following the completion of the Corporate Reorganisation on 14 August 2023, it is expected that the PwC JBR will be assigned to the Company shortly following Admission, and in the interim the Company and RegTech Italy have agreed to procure that the RegTech Italy Services shall continue to be provided pursuant to the PwC JBR.

18.2 SAC Advisory Agreement

RegTech Italy and SAC entered into the SAC Advisory Agreement, an English law governed advisory agreement on 7 December 2022, which was novated to the Company on 14 August 2023.

Under the SAC Advisory Agreement, SAC was appointed as an adviser to provide the Company with market access and financial advisory services to assist it in:

- (a) actively sourcing new clients and partners globally;
- (b) identifying, introducing and negotiating with potential investors;
- (c) providing guidance on the Company's financing and investment strategies;
- (d) providing guidance to the Company and its affiliated entities to establish, launch and implement its global expansion strategies; and
- (e) attending the meetings of the board of the Company, committees thereof or its management upon reasonable request.

Pursuant to the SAC Advisory Agreement:

- (a) the chief executive officer and the chairman of SAC, Sebright (Chen) Chen, was appointed to act as "Global Expansion Adviser" to the Company for and on behalf of SAC;
- (b) the Company is obliged to pay to SAC:
 - (i) a quarterly fee of £3,200, commencing in January 2023;
 - (ii) all reasonable out-of-pocket expenses incurred by SAC in connection with the provision of his services under the SAC Advisory Agreement;
 - (iii) a commission fee of 2% of the aggregate debt investment amount and 5% of the aggregate equity investment amount into the Company by any investor identified or introduced by SAC to the Company; and
 - (iv) a commission fee on sales generated by SAC for the Company's subsidiaries or related legal entities outside of APAC as follows:
 - 10% from sales of software inclusive of license and/or subscription fees; and
 - 2% from sales of professional services; and
- (c) the Company agreed to procure that the Company shall use reasonable endeavours to include SAC into any future RTOP long term incentive plan.

Pursuant to the SAC Advisory Agreement, the Company gave certain customary warranties and undertakings to SAC. The Company also gave certain indemnities to SAC on customary terms.

The SAC Advisory Agreement is not conditional on Admission.

The initial term of the SAC Advisory Agreement is five (5) years from the date of execution on 7 December 2022, terminable or extendable by mutual written consent of the parties.

18.3 **RegTech China JVA**

RegTech Italy and SACC entered into the RegTech China JVA, a Hong Kong law governed joint venture agreement on 22 June 2022, which was novated to the Company on 14 August 2023.

Pursuant to the RegTech China JVA, the parties agreed to establish a limited liability company, RegTech China, with enterprise legal person status under the laws of PRC with the purpose of conducting all forms of business as are:

- (a) lawful in Italy and in PRC; and
- (b) determined by the directors of RegTech China from time to time.

The initial scope of business included the development, marketing and selling of certain products from the Company.

Under the RegTech China JVA, the total registered capital RegTech China is US\$1,021,000 with details of the capital contribution in cash, as follows:

Party	Amount of committed capital contribution in cash	Percentage of equity interest
The Company	US\$500,290	49%
SACC	US\$520,710	51%

Pursuant to the RegTech China JV, *inter alia*:

- (c) the Company shall arrange for no less than three (3) people in operational support roles (IT, governance, security, software development, development operations, and cloud management) to assist with the platform management of RegTech China;
- (d) SACC is required to identify a core business development team for RegTech China and to use its contacts and resources in PRC to support RegTech China's business development;
- (e) RegTech China will source third-party funding after its incorporation on acceptable terms and conditions to both parties and SACC will take the lead in seeking appropriate funding for RegTech China;
- (f) RegTech Italy and RegTech China entered into a Singapore law governed platform service agreement on 3 November 2022, which was novated to the Company on 14 August 2023 (the "**Platform Service Agreement**"), subject to which the Company will provide a licence that will permit exploitations of products based on the Company's technology, exclusively in PRC, and non-exclusively elsewhere in the rest of APAC and to provide SACC a customary non-compete clause under which the Company must refrain from selling any service, platform or product in PRC to compete with RegTech China. Further details of the Platform Service Agreement are set out in paragraph 18.4 of *Part XIV – Additional Information* of this Prospectus;
- (g) the joint development panel of RegTech China shall be comprised of three (3) representatives, one (1) of whom shall be appointed by RTOP and two (2) of whom will be appointed by SACC;
- (h) the board of RegTech China shall be comprised of three (3) directors, one (1) of whom shall be appointed by RTOP, who shall be the vice-chair, and two (2) of whom, including the chair, will be appointed by SACC; and
- (i) SACC retains the exclusive right to appoint one (1) general manager of RegTech China to be approved by the board of RegTech China, and one (1) person in charge of finance to be approved by the Company.

The term of the RegTech China JVA is 20 years (expiring on 21 June 2042), but may be terminated or extended at any time by mutual agreement of the parties.

18.4 **Platform Service Agreement**

RegTech Italy and RegTech China entered into a Singapore law governed Platform Service Agreement on 3 November 2022, which was novated to the Company on 14 August 2023.

Pursuant to the Platform Service Agreement:

- (a) the Company shall, during its term:
 - (i) grant RegTech China an exclusive right in PRC and non-exclusive right in the rest of APAC to use any and all licensed technology relating to the Company's software platform for, *inter alia*, the development, marketing and sale of licensed technology and to take all lawful acts in the building of a product localisation team, business development, operations, product localisation, product improvement, marketing and branding, sales and distribution, financing and investment and partnerships and consulting;
 - (ii) to refrain from selling any service, platform or product in PRC to compete with RegTech China; and
 - (iii) not to disclose or license any licensed technology to any person in China without the prior written consent of RegTech China; and
- (b) RegTech China agreed, during its term and for five (5) years after its termination:
 - (i) to refrain from selling any service, platform or product outside the APAC to compete with the Company; and
 - (ii) not to use the license technology or any derived technology thereof to compete with the Company.

Pursuant to the Platform Service Agreement, the Company gave certain customary warranties and undertakings to RegTech China. The term of the Platform Service Agreement shall continue in perpetuity unless the parties mutually agree to terminate it.

18.5 **Orbit Open Platform Acquisition Agreement**

RegTech Italy and Tibro entered into the Italian law governed Orbit Open Platform Acquisition Agreement on 30 December 2019, pursuant to which RegTech Italy agreed to acquire and Tibro agreed to sell certain business and assets (including certain IP rights) in respect of the Orbit Open Platform.

In consideration for the sale of the business and assets (including certain IP rights) in respect of the Orbit Open Platform, RegTech Italy agreed to issue shares equal to 10% of its issued share capital to Tibro, which were subsequently acquired by TAG.

18.6 **Relationship Agreement**

The Company, TAG and RegTech Italy entered into an English law governed Relationship Agreement on 21 August 2023, pursuant to which it was agreed that each of TAG and RegTech Italy (which are both ultimately beneficially owned by Alessandro Zamboni) would provide certain undertakings to the Company for the purpose of ensuring that the business of the Company will at all times be carried on in a manner which is independent of TAG and RegTech Italy and their respective associates (as such term is defined in the Listing Rules), each in its capacity as a Shareholder (both directly and indirectly) and any transactions or arrangements between it (and/or any of its associates (as defined in the Listing Rules), including Alessandro Zamboni) and the Company will be at arm's length and on normal commercial terms.

The undertakings under the Relationship Agreement shall apply from Admission for so long as the Ordinary Shares are admitted to trading on the Main Market of the London Stock Exchange and TAG and/or RegTech Italy and their associates continue to hold more than 30% of total voting rights attaching to Ordinary Shares, and each of TAG and RegTech Italy is required to procure compliance of its respective associates in connection with the Relationship Agreement.

The Relationship Agreement will also terminate in certain circumstances where another Shareholder acquires a greater percentage interest than TAG and RegTech Italy and their respective associates and/or acquires a greater interest of voting rights in respect of Ordinary Shares than TAG and RegTech Italy and their respective associates.

Under the Relationship Agreement, each of TAG and RegTech Italy and their respective associates shall, *inter alia*:

- (a) ensure that the Group shall be managed for the benefit of the Shareholders as a whole and independently of it and its associates;
- (b) conduct all transactions, and arrangements with the Group on an arm's length basis and on normal commercial terms;
- (c) not take any action that would have the effect of preventing the Group from complying with its obligations under the Listing Rules or other applicable laws and regulations; and
- (d) not exercise any of its voting or other rights and powers to:
 - (i) propose or vote in favour of any resolution to remove any independent Director or to appoint any new Director who would not be considered by the Company to be independent of it and its associates; or
 - (ii) procure or propose, or vote in favour of, any resolution for any amendment to the Articles which would be inconsistent with or undermine any of the provisions of the Relationship Agreement or undermine the effect the Relationship Agreement to the detriment of the Group.

18.7 **TAG Service Agreement**

RegTech Italy entered into an Italian law governed service agreement with TAG on 1 January 2019, which was amended and restated on 1 January 2023, which was transferred to the Company pursuant to the Contribution Agreement (the "**TAG Service Agreement**"), pursuant to which TAG agreed to provide RTOP with certain business support services including access to information technology provision, office premises and software development and access to certain employees of TAG from time to time in relation to the provision of those services (the "**TAG Services**"). The TAG Service Agreement is terminable on three months' notice by either party (save for earlier termination in certain customary circumstances). The TAG Services are to be provided to a standard not less than those which applied when the Company was a subsidiary of TAG during the 12 months preceding the date of the TAG Service Agreement.

18.8 **Shareholder Loan Agreement**

Pursuant an English law governed Shareholder Loan Agreement, cast as a deed, between the Company and RegTech Italy, dated 21 August 2023, conditional on Admission, RegTech Italy shall provide the Shareholder Facility of up to £8,000,000 to the Company, drawable at the Company's request, to cover the Group's working capital requirements, comprising: (i) up to £2,000,000 in cash, to be drawn by 1 September 2023, which shall attract a non-compounding interest rate of 10% per annum (calculated on a 360-day basis); (ii) up to £500,000 in cash, to be drawn by 30 September 2023, which shall attract a non-compounding interest rate of 10% per annum (calculated on a 360-day basis); (iii) during the period commencing on 25 August

2023 and ending on 31 March 2024, up to £2,000,000, which may, at the election of the Company, be set-off on a £-for-£ basis against certain payables of the Company (where such payables shall be transferred to RegTech Italy to be settled), and which shall attract a non-compounding interest rate of 5% per annum (calculated on a 360-day basis); and (iv) save to the extent that the Company receives unrestricted cash amounts from the exercise of any outstanding Warrants and/or alternative equity, debt or hybrid financing and such unrestricted cash amounts are in the opinion of the Board sufficient to enable the Company to meet the Group's working capital obligations under the Prospectus Regulation Rules, during the period commencing on 1 October 2023 and ending on 31 December 2024, up to £3,500,000 in cash, which may be drawn by the Company by giving RegTech Italy no less than 20 Business Days' written notice and subject to maximum monthly drawings of £500,000 (until fully drawn), and which shall attract a non-compounding interest rate of 10% per annum (calculated on a 360-day basis). Funds available under the Shareholder Facility are fully committed as at the date of this Prospectus, and any outstanding conditions to drawdown post-Admission are within the Company's control and/or are customary.

The due date for repayment by the Company to RegTech Italy of amounts drawn and outstanding under the Shareholder Facility is 31 December 2026 (*i.e.*, outside of the Working Capital Period). Any principal amount (excluding accrued interest) drawn and outstanding on 31 December 2026 shall attract a compounding interest rate of 15% per annum thereafter. The Company is allowed to make voluntary prepayments in cash to RegTech Italy prior to such due date which shall not attract any penalty, and shall consider doing so in due course utilising RTOP's net revenues.

Unless otherwise agreed by RegTech Italy, accrued and unpaid interest outstanding on the principal under the Shareholder Facility shall be paid by the Company to RegTech Italy in instalments on: 1 January 2025; 30 June 2025; 1 January 2026; 30 June 2026; and 31 December 2026.

Pursuant to the Shareholder Loan Agreement, *inter alia*:

- (a) the Company gave certain customary warranties and undertakings to RegTech Italy, and RegTech Italy gave certain customary warranties to the Company;
- (b) the Company indemnified RegTech Italy against any actions, charges, claims, costs, damages, demands, expenses, liabilities, losses and proceedings which TAG may sustain or incur as a consequence of any default by the Company in the performance of any of the obligations expressed to be assumed by it in the Shareholder Loan Agreement; and
- (c) it was agreed that the rights, obligations and liabilities thereunder of RegTech Italy were freely assignable by RegTech Italy without the consent of the Company, but the rights, obligations and liabilities of the Company were not assignable by the Company (except to members of its Group), without the consent of RegTech Italy.

Conditional on Admission, the Company agreed to issue 2,250,000 Warrants (with a final exercise date of 25 August 2026) to RegTech Italy as a commitment fee in connection with the Shareholder Facility and 3,750,000 Warrants (with a final exercise date of 25 August 2026) to TAG relating to conversion of historic TAG shareholder loans to the Group.

18.9 **Registrar Agreement**

The Company and the Registrar have entered into an English law governed agreement, dated 25 August 2023, pursuant to which the Registrar has agreed to act as registrar to the Company and to provide transfer agency services and certain other administrative services to the Company in relation to its business and affairs (the "**Registrar Agreement**").

The Registrar is entitled to receive the annual registration fee for, *inter alia*, creation and maintenance of the Register of £3,500 for the provision of its services under the Registrar Agreement.

In addition to the annual registration fee, the Registrar is entitled to reimbursement for all out-of-pocket expenses incurred by it in the performance of its services, CREST transfers will be charged at £0.20 each, and CREST deposits or withdrawals and certificated transfers will be charged at £1.50 each.

The Registrar Agreement shall continue for an initial period of three years, and thereafter will automatically renew for successive periods of 12 months unless and until terminated upon written notice by either party, by giving not less than three months' written notice (as long as such notice is given at least six months before the end of the initial period, or each subsequent 12-month period, as applicable). In addition, the Registrar Agreement may be terminated as soon as reasonably practicable if either party, *inter alia*: (i) upon service of written notice if the other party commits a material breach of the Registrar Agreement which has not been remedied within 45 days of a notice requesting the same; or (ii) upon service of written notice if a resolution is passed or an order made for the winding-up, dissolution or administration of the other party, or if the other party is declared insolvent or if an administrator, administrative receiver, manager or provisional liquidator (or similar officer to any of the foregoing in the relevant jurisdiction) is appointed over the whole of or a substantial part of the other party or its assets or undertakings.

The Registrar has limited its liability under the Registrar Agreement and the Company has agreed to indemnify the Registrar against certain liabilities which it may incur in the course of providing registrar services to the Company.

18.10 **Warrant Instrument**

Pursuant to the Warrant Instrument executed by the Company, cast as a deed, dated 21 August 2023, the Company agreed to constitute up to 7,500,000 Warrants.

The Warrants are each exercisable into one Warrant Share at an Exercise Price equal to the nominal value of £0.20 per Warrant Share, and allow for cashless exercise.

The Warrants are freely transferrable.

Definitions

Unless the context requires otherwise, each of the following expressions has the following meanings in this section entitled "Warrant Instrument":

"Allotment Date"	the date of the allotment and issue of any Warrant Shares subject to a notice of exercise delivered to the Company or receipt by the Company in cleared funds of the aggregate Exercise Price, whichever is the later.
"Certificate"	a certificate evidencing the Subscription Rights for the time being vested in the relevant Warrantholder in the form, or substantially in the form, set out in the Warrant Instrument.
"Conditions"	the terms and conditions attached to the Warrants set out in the second schedule to the Certificate, as the same may from time to time be altered in accordance with the provisions of this Warrant Instrument.
"Final Exercise Date"	25 August 2026.
"market value"	"market value" of one Warrant Share on the date of calculation shall mean the average volume weighted mid-market closing price for the Ordinary Shares on the Main Market on that calculation date as derived from the data published by the London Stock Exchange.
"Notice of Exercise"	a notice of exercise of a Warrant in the form set out in the first schedule to the Certificate.
"Special Resolution"	a resolution passed at a meeting of the Warrantholders by a majority of not less than 75% of the votes cast upon a show of hands or, if a poll is demanded, by a majority of not less than 75% of the votes cast on a poll.
"Subscription Period"	the period from the date of issue of the Warrants until the earlier of the date that no further Subscription Rights are exercisable or the Final Exercise Date.
"Exercise Price"	subject to any adjustment for any variation of capital of the Company, the exercise price shall be the nominal value of £0.20 per Warrant Share, being the price which the relevant Warrantholder is required to pay the Company on subscription of a Warrant Share, fully paid, upon exercising the Subscription Rights.
"Subscription Rights"	the rights for the time being conferred by the Warrants to subscribe for Warrant Shares which are constituted by virtue of the provisions of the Warrant Instrument.
"Warrantholder"	in relation to a Warrant the person in whose name such Warrant is registered for the time being in the Warrant Register.
"Warrant Register"	the register of persons for the time being entitled to the benefit of the Warrants to be maintained pursuant to the provisions of the Warrant Instrument.

Constitution and form of the Warrant

The Warrant Instrument confers the right on the Warrantholder to exercise each Warrant in cash at the Exercise Price for one Warrant Share at any time during the Subscription Period.

Pursuant to the Warrant Instrument, no application will be made for the Warrants to be listed or dealt on any recognised investment exchange (as that term is defined in FSMA).

Certificates

The Company shall maintain the Warrant Register in accordance with the conditions of the Warrant Instrument.

Entitlement to the Subscription Rights and other rights attaching to the Warrants shall be evidenced by the issue to the relevant Warrantholder of a Certificate.

Where a Warrantholder has transferred, or exercised its Subscription Rights in respect of, some of the Warrants comprised in a Certificate only, it shall be entitled to receive a new Certificate for the balance of such Warrants.

Exercise Price

Subscription Rights may be exercised in cash by the relevant Warrantholder.

Alternatively, the Subscription Rights may be exercised by the relevant Warrantholder on a cashless exercise basis, where the number of Warrant Shares to be issued shall be calculated as follows:

$$X = \frac{Y \times (A - B)}{A}$$

Where: X = The revised number of Warrant Shares to be issued to the Warrantholder.

Y = The number of Warrant Shares for which Subscription Rights have been exercised (at the date of such calculation).

A = The market value of one Ordinary Share (at the date of such calculation).

B = The Exercise Price (as adjusted to the date of such calculation).

Exercise

Subscription Rights shall be exercisable at any time from time to time during the Subscription Period in whole or in part or parts.

The exercise of Subscription Rights shall be effected by the delivery to the Registrars of the original Certificate and a duly completed Notice of Exercise and the requisite remittance of the Exercise Price. Once lodged, a Notice of Exercise will be irrevocable except with the consent of the Company. Compliance must also be made with any statutory requirements for the time being applicable.

The date of the allotment and issue of any Warrant Shares subject to a Notice of Exercise shall be the Allotment Date.

Within 5 Business Days of delivery to the registrars of a valid Notice of Exercise for less than the number of Warrants the Warrantholder holds, as evidenced by the accompanying Certificate, the Registrars will issue the Warrantholder with a new Certificate for the balance of Warrants not subscribed for.

Each Warrant will immediately be cancelled once the Subscription Rights attaching thereto have been exercised and Warrant Shares allotted pursuant to such exercise.

Warrant Shares allotted will be credited as fully paid and rank *pari passu* in all respects with the Ordinary Shares, save that, as is customary, they will not rank for any dividends or other distributions declared in respect of a record date falling on or before the Allotment Date.

If, at the time of issue of the Warrant Shares, the Ordinary Shares (or any of them) are quoted on the Official List of the FCA or permission has been granted for dealings therein on any other recognised stock exchange in any part of the world, the Company will apply to such body for permission to deal in or for quotation or admission of such Warrant Shares and shall use its reasonable endeavours to secure such permission, quotation or admission, as the case may be.

Any Subscription Rights not exercised prior to the expiry of the Subscription Period and the Warrants attached to such Subscription Rights will lapse and terminate immediately on such expiry without further notice and shall be of no further force or effect whatsoever.

Variation of capital

Upon any adjustment of the Company's capital, namely any of the following occurrences: (i) sub-division or consolidation of the Ordinary Shares; (ii) reduction of share capital of the Company; (iii) issue of Ordinary Shares by way of dividend or distribution; (iv) issue of Ordinary Shares by way of capitalisation of profits or reserves (including share premium account and any capital redemption reserve); or (v) consolidation, amalgamation or merger of the Company with or into another entity on or before the Final Exercise Date, conditional on any such event occurring, the number of Warrant Shares to be subscribed on any exercise of Subscription Rights subsequent to the adjustment will be increased or decreased in proportion to the adjustment.

The total number of Warrant Shares which may be subscribed pursuant to the Subscription Rights is such that will carry as nearly as possible the same proportion of the votes as the Warrant Shares carried prior to such adjustment and will carry the entitlement to participate in the same proportion in the profits and assets of the Company as would the number of Warrant Shares which would have been subscribed for pursuant to the Subscription Rights immediately prior to the adjustment.

The aggregate Exercise Price payable in order to subscribe for all the Warrant Shares which may be subscribed pursuant to Subscription Rights will be as nearly as possible the same as it was prior to the adjustment.

Further, any adjustment must be recognised by with the issuance of an auditor opinion confirming that the appropriate adjustments have been made and accompanied by a new Certificate reflecting the adjustment.

Winding up

If an effective resolution is passed on or before the last day of the Subscription Period for the voluntary winding up of the Company, then the Company shall give notice to the Warrantholders stating that such a resolution has been passed and a Warrantholder shall be entitled at any time within three months after receipt of such notice to be treated as if such Warrantholder had, immediately before the date of passing of the winding up resolution, exercised such Warrantholder's Warrants.

The Warrantholder shall be entitled to receive out of the assets which would otherwise be available in the liquidation to the Shareholders such an amount receivable out of the assets which would otherwise be available in the liquidation to the Shareholders had the Warrantholder been a holder of and paid for the Ordinary Shares to which the Warrantholder would have become entitled by virtue of such exercise, after deduction from such sum an amount equal to the moneys which would have been payable in respect of such shares if the Warrants had been exercised.

The right to exercise the Warrants will not be permitted in the case of a voluntary winding up for the purpose of reconstruction, amalgamation or merger on terms sanctioned by a Special Resolution of the Warrantholders in which case the Warrantholders will be entitled to a substituted Warrants of the value of the Warrant immediately prior to such voluntary winding up.

Takeovers

If at any time an offer or invitation is made by the Company to the Shareholders for the purchase by the Company of any of its Ordinary Shares, the Company shall simultaneously give notice thereof to each Warrantholder who shall be entitled, at any time whilst such offer or invitation is open for acceptance, to exercise its Subscription Rights to the extent that such rights have not been exercised or lapsed prior to the record date of such offer or invitation so as to take effect, in so far as is reasonably practicable, as if it had exercised its rights immediately prior to the record date of such offer or invitation.

If at any time an offer is made to all Shareholders (or all Shareholders other than the offeror and/or any company controlled by the offeror and/or persons acting in concert with the offeror) to acquire the whole or any part of the issued share capital of the Company and the Company becomes aware that as a result of such offer the right to cast a majority of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror and/or such persons or companies as aforesaid. Further, to the extent that any Subscription Rights not been exercised within one month after such offer shall lapse and no longer be exercisable.

Transfer and transmission of Warrants

Each Warrant will be registered and will, subject to applicable laws or regulations, be transferable by instrument of transfer in any usual or common form.

The provisions and restrictions governing transfer of Ordinary Shares in the Articles shall apply to the transfer of Warrants, and accordingly no transfer of Warrants may be registered unless a transfer of Ordinary Shares would be permitted.

When a Warrantholder transfers part only of its holding of the Warrants the old certificate shall be cancelled and a new certificate for the balance of such Warrants issued without charge.

No beneficial interest in any Warrant shall be disposed of without the presentation for registration of a transfer and certificate in respect of such Warrant in accordance with these particulars.

Modification of rights

A modification of the Warrant Instrument including all or any of the rights attached to the Warrants (including the Subscriptions Rights) therein may from time to time be altered or abrogated. Such modifications may only be effected by way of a deed poll executed by the Company and save in the case of a modification of a minor nature, with the prior sanction of a Special Resolution of the Warrantholders.

18.11 Contribution Agreement

Pursuant to an English law governed contribution agreement in connection with the Corporate Reorganisation between the Company and RegTech Italy, dated 14 August 2023, RegTech Italy contributed its entire business and assets, principally comprising the Orbit Open Platform and the shares in RegTech China, and transferred all its liabilities to the Company.

In consideration for the Contribution, the Company allotted and issued 11,950,000 new ordinary shares of nominal value £1.00 each in the capital of the Company to RegTech Italy.

Pursuant to the Contribution Agreement, RegTech Italy gave certain customary warranties and undertakings to the Company regarding its ownership of the assets which comprise the Contribution, and in particular the IP comprising the Orbit Open Platform.

19. RegTech Italy and TAG agreements

19.1 SPAs

Pursuant to certain English law governed SPAs between RegTech Italy and 11 Purchasers (independent third-parties), entered into prior to the date of this Prospectus, conditional on Admission, RegTech Italy has irrevocably agreed to sell, and the Purchasers have irrevocably agreed to buy, in aggregate 17,483,000 Existing Ordinary Shares at the Purchase Price of £1.00 each.

Pursuant to each SPA, RegTech Italy gave certain customary warranties and undertakings to each Purchaser, and each Purchaser gave certain customary warranties to RegTech Italy, including as to compliance with applicable securities laws.

Each SPA is terminable if Admission does not occur by 31 December 2023.

19.2 Acquisition Agreements

Pursuant to certain Italian law governed Acquisition Agreements between TAG and two selling independent third-parties, entered into prior to the date of this Prospectus, conditional on Admission, TAG has irrevocably agreed to purchase shares in one unlisted private company and will procure that RegTech Italy transfers 650,000 Existing Ordinary Shares in aggregate as consideration to the selling independent third parties, using the Purchase Price as a denominator.

Pursuant to each Acquisition Agreement, TAG gave certain customary warranties and undertakings to each of the selling independent third-parties, and each selling independent third-party gave certain customary warranties to TAG, including as to compliance with applicable securities laws.

Each Acquisition Agreement is terminable if Admission does not occur by 31 December 2023.

19.3 Settlement Agreements

Pursuant to certain English law governed Settlement Agreements between TAG and four settlor independent third-parties, entered into prior to the date of this Prospectus, conditional on Admission, TAG has irrevocably agreed to procure that RegTech Italy transfers 2,864,000 Existing Ordinary Shares to settle outstanding debts between TAG and such independent third-parties, using the Purchase Price as a denominator.

Pursuant to each Settlement Agreement, TAG gave certain customary warranties and undertakings to each of the settlor independent third-parties, and each settlor independent third-party gave certain customary warranties to TAG, including as to compliance with applicable securities laws.

Each Settlement Agreement is terminable if Admission does not occur by 31 December 2023.

20. Related party transactions

20.1 Save as described in Note 16 of Part B of *Part XII – Historical Financial Information* and in paragraphs 7.8, 7.9, 18.7, 18.8, 18.11, 20.2 and 20.3 of this *Part XIV – Additional Information* of this Prospectus, there have been no other related party transactions entered into between members of the Group and related parties which require disclosure under IFRS between the period covered by the Historical Financial Information and the date of this Prospectus.

20.2 In July 2022, the Company entered into an agreement with Supply@ME Capital plc, pursuant to which RTOP was engaged to build and create a number of BCM modules, including "data factory" (i.e., data ingestion and business rule application), and, as at the date of this Prospectus, €318,000 excluding VAT (or €387,000 including VAT) has been paid by that entity to RTOP under to that agreement.

- 20.3 On 2 May 2023, the Company, Ian Halliday-Pegg and SaaS Growth Coach Limited (a private limited company with registration number 13967263 wholly-owned by Ian Halliday-Pegg) entered into an English law governed consultancy agreement, pursuant to which the Company agreed to pay SaaS Growth Coach Limited £8,625 (plus VAT) per calendar month to procure the business advisory services of Ian Halliday-Pegg, plus all reasonable expenses properly and necessarily incurred connection with the provision of his services thereunder. That agreement was scheduled to automatically terminate on 30 June 2023, but was extended by the parties to 31 July 2023, pursuant to an addendum agreement between the parties dated 30 June 2023, and, in accordance with its terms, aggregate fees of £25,875 incurred as at the date of this Prospectus shall be paid as salary to Ian Halliday-Pegg as a salary on or before 4 September 2023.

21. Accounts

- 21.1 The Company's annual report and accounts will be made up to 31 December in each year.
- 21.2 It is expected that the Company will make public its annual report and accounts within four months of each financial year end (or earlier if possible) and that copies of the annual report and accounts will be sent to Shareholders within six months of each financial year end (or earlier if possible).

22. General

- 22.1 On 11 January 2023, PKF Littlejohn LLP whose address is 15 Westferry Circus, Canary Wharf, London E14 4HD, United Kingdom, were appointed as the first auditor of the Group. PKF Littlejohn LLP is registered to carry out audit work by the Institute of Chartered Accountants in England & Wales and the Financial Reporting Council.
- 22.2 PKF Littlejohn LLP has given and has not withdrawn its written consent to the inclusion in this Prospectus of its accountant's report on the Historical Financial Information set out in *Section A: Accountant's Report on the Historical Financial Information of Part XII – Historical Financial Information* of this Prospectus and has authorised the contents of such report as part of this Prospectus for the purposes of item 1.3 of the PR Regulation.
- 22.3 As at the date of this Prospectus, the total number of FTEs (including the Executive Director, but excluding fixed term and day-rate contractors and consultants, and the Non-Executive Directors) employed by RTOP was 19.5. In addition, RTOP currently employs a single fixed term and day-rate consultant.
- 22.4 The Company does not own any premises.
- 22.5 Expenses will be paid by RTOP within 10 Business Days from Admission, borne by the Company in full and deducted from the Gross Admission Cash Balance, and no Expenses will be charged to any investor by RTOP. Expenses (including commission and expenses, listing and admission fees, professional advisory fees, including legal fees, and any other applicable expenses) are estimated to be approximately £1,034,135 (including any applicable VAT).
- 22.6 RTOP is not dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes which are material to RTOP's business or profitability.
- 22.7 The Directors are not aware of any environmental issues that may affect RTOP and its business or its utilisation of its tangible fixed assets.

23. Third-party sources

- 23.1 The Company confirms that information sourced from third-parties has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by those third-parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

- 23.2 Where third-party information has been used in this Prospectus, the source of such information has been identified.

24. No incorporation of websites

Neither the content of the Company's website (<https://regtechopenproject.co.uk/>), RTOP's other websites (including, but not limited to, <https://www.orbititaly.com/>) nor any website accessible by hyperlinks to such websites has been incorporated in, or forms part of, this Prospectus (unless specifically incorporated by reference in this Prospectus). The information on such websites has not been verified nor has it been scrutinised or approved by the FCA, and investors should not rely on such information.

25. Availability of documents

- 25.1 Copies of the following documents may be inspected at the Registered Office during usual business hours on any Business Day for a period of 12 months following the date of this Prospectus:

- (a) the Articles;
- (b) the written consent letter referred to in paragraph 22.2 of *Part XIV – Additional Information* of this Prospectus;
- (c) the accountant's report set out in *Section A: Accountant's Report on the Historical Financial Information* of *Part XII – Historical Financial Information* of this Prospectus; and
- (d) this Prospectus.

- 25.2 In addition, this Prospectus and the other documents referred to in paragraph 25.1 of this *Part XIV – Additional Information* of this Prospectus will be published in electronic form and be available on the Company's website at <https://regtechopenproject.co.uk/>.

PART XV

DEFINITIONS

The following definitions apply throughout this Prospectus (unless the context requires otherwise):

"ABAC"	anti-bribery and anti-corruption.
"ABI Lab"	ABI Lab, the Research and Innovation Centre of the Italian Banking Association.
"Acquisition Agreements"	certain Italian law governed acquisition agreements between TAG and two selling independent third-parties, entered into prior to the date of this Prospectus, pursuant to which, conditional on Admission, TAG has irrevocably agreed to purchase shares in an unlisted private company and will procure that RegTech Italy transfers 650,000 Existing Ordinary Shares in aggregate as consideration to the selling independent third parties, using the Purchase Price as a denominator.
"Admission"	admission of Ordinary Shares to the standard listing segment of the Official List and to trading on the Main Market of the London Stock Exchange.
"affiliate"	an affiliate of, or person affiliated with, a person; a person that, directly or indirectly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.
"AGM"	an annual general meeting of the Company.
"AML"	anti-money laundering.
"APAC"	the Asia Pacific region.
"APMs"	alternative performance measures.
"Articles"	articles of association of the Company in force from time to time.
"Audit and Risk Committee"	the audit and risk committee of the Board.
"Azure"	Microsoft Azure.
"BCBS"	the Basel Committee on Banking Supervision.
"BCM"	business continuity management.
"BCP"	business continuity planning.
"Board"	the board of Directors from time to time.
"BR"	business resilience.
"Business Day"	any day on which the London Stock Exchange is open for business and banks are open for business in London, UK; excluding Saturdays and Sundays.
"BVI"	the British Virgin Islands.
"CAGR"	compound annual growth rate.
"certificated" or "in certificated form"	in relation to, as the case may be, a share, warrant or other security, a share, warrant or other security, title to which is recorded in the relevant register of the share, warrant or other security concerned as being held in certificated form (<i>i.e.</i> , not in CREST).
"Chair"	chairperson of the Board.
"change of control"	an acquisition of control of the Company by any person or party (or by any group of persons or parties who are acting in concert).
"Companies Act"	Companies Act 2006.
"Company"	RegTech Open Project plc, a public limited company incorporated in England & Wales under the Companies Act and company number 14721885.
"Company Secretary"	OHS Secretaries Limited, a private limited company incorporated in England & Wales, with company number 06778592, or any other company secretary appointed by the Company from time to time.
"Contribution"	the contribution by RegTech Italy to the Company of its entire business and assets, principally comprising the Orbit Open Platform, and the transfer of all its liabilities pursuant to the Contribution Agreement.

"Contribution Agreement"	the English law governed contribution agreement in connection with the Corporate Reorganisation between the Company and RegTech Italy, dated 14 August 2023.
"control"	(i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to: (a) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company; or (b) appoint or remove all, or the majority, of the Directors or other equivalent officers of the Company; or (c) give directions with respect to the operating and financial policies of the Company with which the Directors or other equivalent officers of the Company are obliged to comply; and/or (ii) the holding beneficially of more than 50% of the issued shares of the Company (excluding any issued shares that carry no right to participate beyond a distribution of either profits or capital), but excluding in the case of each of (i) and (ii) any such power or holding that arises as a result of the issue of Ordinary Shares by the Company in connection with an acquisition.
"Corporate Reorganisation"	the Contribution and the Subdivision.
"COVID-19"	the pandemic triggered by the disease caused by the respiratory virus SARS-CoV-2 and its variants.
"CREST" or "CREST System"	the system for the paperless settlement of trades in securities and the holding of uncertified securities operated by Euroclear in the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations.
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (<i>SI 2001 No. 3755</i>).
"CROs"	chief risk officers.
"Direct Listing"	Admission by way of a direct introduction.
"Directors"	the statutory directors of the Company from time to time.
"Disclosure Committee"	the disclosure committee of the Board.
"Disclosure Guidance and Transparency Rules" or "DTRs"	the disclosure guidance and transparency rules of the FCA made in accordance with section 73A of FSMA.
"Dodd-Frank Act"	US Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.
"DR"	disaster recovery.
"EMEA"	EU, Middle East and Africa.
"eSolutions"	eSolutions Europe Limited.
"EU" or "European Union"	the European Union first established by the treaty made at Maastricht on 7 February 1992.
"EU Prospectus Regulation"	Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.
"Euroclear"	Euroclear UK & International Limited, a company incorporated in England & Wales, being the operator of CREST.
"EUWA"	European Union (Withdrawal) Act 2018.
"Everbridge"	Everbridge Europe Limited, a private limited company incorporated under the laws of England & Wales, with company number 03621410.
"Exercise Price"	an exercise price equal to the nominal value of £0.20 (subject to any adjustment for any variation of capital of the Company) per Warrant Share.
"Executive Director(s)"	executive Director(s) of the Company from time to time.
"Existing Cash Balance"	RTOP's existing cash balance as at the date of this Prospectus.

"Existing Ordinary Shares"	60,000,000 Ordinary Shares in issue as at the date of this Prospectus.
"Expenses"	expenses associated with Admission, the Warrants, the Shareholder Facility, the preparation of this Prospectus and Direct Listing (including commission and expenses, listing and admission fees, professional advisory fees, including legal fees, and any other applicable expenses) are estimated to be approximately £1,034,135 (including any applicable VAT), equating to approximately 52% of the Gross Admission Cash Balance.
"FCA"	UK Financial Conduct Authority acting in its capacity as the competent authority under Part VI of FSMA.
"FSMA"	Financial Services and Markets Act 2000.
"FTEs"	full-time equivalents of RTOP's employees.
"FY-20"	the audited 12-month period ended 31 December 2020.
"FY-21"	the audited 12-month period ended 31 December 2021.
"FY-22"	the audited 12-month period ended 31 December 2022.
"GDPR"	General Data Protection Regulation (EU) 2016/679.
"general meeting"	a general meeting of the Shareholders or a class of Shareholders as the context requires.
"Group" or "RTOP"	the Company together with its subsidiaries and subsidiary undertakings from time to time.
"Gross Admission Cash Balance"	conditional upon Admission, RTOP will receive an initial tranche of up to £2,000,000 in cash by 1 September 2023 from RegTech Italy pursuant to the Shareholder Facility.
"Historical Financial Information"	the Group's audited financial information for FY-22, FY-21 and FY-20, respectively, set out in <i>Part XII – Historical Financial Information</i> of this Prospectus, which does not present any standalone, unconsolidated financial information on the Company or RegTech China, and, accordingly, references to the "Group" in the context of the Historical Financial Information shall mean RegTech Italy only.
"HMRC"	His Majesty's Revenue & Customs.
"IASB"	International Accounting Standards Board.
"ICFR"	internal controls over financial reporting.
"ICT"	information and communications technology.
"IFA"	Istituto Fiduciario Ambrosiano S.r.l., a <i>società a responsabilità limitata</i> incorporated in Italy, with its registered office at Via Larga 7, 20122 Milano, Italy.
"IFRS"	International Financial Reporting Standards, issued by IASB and IFRS IC, as adopted by the UK.
"IFRS IC"	IFRS interpretations committee.
"Independent Non-Executive Director(s)"	Non-Executive Director(s) deemed independent by the Company under the QCA Code.
"IP"	intellectual property (including trademarks, registered and unregistered design rights, copyrights, patents and trade secrets (as applicable)).
"ISIN"	International Securities Identification Number.
"ISO"	the International Organisation for Standardisation.
"IT"	information technology.
"KPIs"	key performance indicators.
"LEI"	Legal Entity Identifier.
"Listing Rules"	the listing rules made by the FCA under section 73A of FSMA.
"London Stock Exchange"	London Stock Exchange plc, a public limited company registered in England & Wales with company number 02075721.
"Main Market"	main market for listed securities.

"Net Admission Cash Balance"	the cash balance of RTOP following the deduction of all Admission and Direct Listing associated costs.
"Nil Rate Amount"	an annual dividend allowance of £2,000 for 2023/2024 for Shareholders who are UK resident and domiciled or deemed domiciled individuals.
"Nomination Committee"	the nomination committee of the Board.
"Non-Executive Director(s)"	Director(s) discharging non-executive responsibilities.
"Official List"	the official list maintained by the FCA pursuant to Part VI of FSMA.
"OR"	operational resilience.
"Orbit Open Platform"	a software suite of BCM modules.
"Orbit Open Platform Acquisition Agreement"	the Italian law governed agreement for the sale and purchase of the assets and business of Tibro, specifically a business unit focussed on business continuity management and the associated Orbit Open Platform, entered into between RegTech Italy and Tibro dated 30 December 2019.
"ordinary resolution"	a resolution of Shareholders requiring a simple majority of not less than 50%.
"Ordinary Shares"	ordinary shares in the capital of the Company, with a nominal value of £0.20 each.
"ORM"	operational risk management.
"PCAOB"	auditing standards of the Public Company Accounting Oversight Board.
"Platform Service Agreement"	the Singapore law governed platform service agreement between RegTech Italy and RegTech China as required under the RegTech China JVA, dated 3 November 2022, which was novated to the Company on 14 August 2023.
"Post-Admission Shareholder Funds"	in aggregate cash terms (excluding the balance sheet impact of the set-off of up to £2,000,000 in payables), a maximum of £4,000,000 pursuant to the Shareholder Loan Agreement.
"PRC"	People's Republic of China.
"Premium Listing"	a premium listing under Chapter 6 of the Listing Rules.
"Prospectus"	this document.
"Prospectus Regulation Rules"	the prospectus regulation rules of the FCA made in accordance with section 73A of FSMA.
"PR Regulation"	Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the EU Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, which is part of UK domestic law by virtue of the EUWA.
"Purchaser Price" or "Reference Price"	£1.00 per Ordinary Share.
"Purchasers"	12 independent third-parties entering into the SPAs.
"PwC"	Pricewaterhouse Coopers Business Services S.r.l..
"PwC JBR"	a joint business relationship agreement between RegTech Italy and JBR, dated 4 February 2022, relating to collaboration in the proposition of the Orbit Open Platform to the banking and financial market in Italy.
"PwC Services"	the services offered by PwC to customers in relation to the joint business relationship between RegTech Italy and PwC as outlined in the PwC JBR dated 4 February 2022.
"QCA Code"	the Corporate Governance Code (2018 edition) published by the Quoted Companies Alliance.
"Register"	the register of Shareholders to be maintained by the Registrar.

"Registered Office"	the Company's registered office at 9 th Floor, 107 Cheapside, London EC2V 6DN, United Kingdom.
"Registrar"	Link Market Services Limited (trading as LINK Group), a private limited company incorporated in England & Wales, with company number 02605568, or any other registrar appointed by the Company from time to time.
"Registrar Agreement"	the registrar agreement between the Company and the Registrar, dated 25 August 2023.
"regtech"	the use of information technology to enhance regulatory and compliance processes.
"RegTech China"	瑞吉泰科技（北京）有限公司 (or Ruijitai Technology (Beijing) Co., Limited or RegTech China Co. Ltd.), a limited company incorporated in PRC, with its registered office at No.101-01, Floor 1, Building 14, No. 20 Guangde Avenue, Beijing Economic-Technological Development Zone (Daxing), Beijing, PRC.
"RegTech China JVA"	the Hong Kong law governed joint venture agreement between the Company and SACC, dated 22 June 2022, which was novated to the Company on 14 August 2023.
"RegTech Italy"	RegTech Open Project S.p.A. (a wholly-owned subsidiary of TAG), a company incorporated in Italy as a <i>Società a responsabilità limitata</i> , with its registered office at Via Giosue Carducci 36, 20123 Milano, Italy, and company number MI-2504994.
"RegTech Italy Services"	the services offered by RegTech Italy to its customers in collaboration with PwC as outlined in the PwC JBR.
"Relationship Agreement"	a relationship agreement between the Company, RegTech Italy and TAG, dated 21 August 2023.
"Remuneration Committee"	the remuneration committee of the Board.
"Rule 9"	Rule 9 of the Takeover Code.
"RIS"	a Regulatory Information Service that is on the list of regulatory information services maintained by the FCA.
"SaaS"	software as a service.
"SAC"	Summer Atlantic Capital Limited, a company incorporated under the laws of Hong Kong, with company number 2769364 of Floor 26, Fortune Financial Center, No. 5 East 3 rd Ring Middle Road, Chaoyang District, Beijing, 10022, PRC.
"SACC"	Zhejiang Chenxing Investment Management Co., Ltd. (or Summer Atlantic Capital China) with company number 91330206MA2CHPQN6Y, having its registered office at F0265, Room 401, Building 1, No. 88, Qixing Road, Meishan, Beliu District, Ningbo City, Zhejiang Province, PRC.
"SAC Advisory Agreement"	the English law governed advisory agreement between SAC and RegTech Italy, dated 7 December 2022, which was novated to the Company on 14 August 2023.
"SCAI"	SCAI Puntito S.r.l., a company incorporated in Italy as a <i>Società a responsabilità limitata</i> , with its registered office at Via Benigno Crespi, Milano, Italy.
"SDRT"	stamp duty reserve tax.
"Securities Act"	US Securities Act of 1933, as amended.
"SEDOL"	Stock Exchange Daily Official List, a list of security identifiers used in the UK and Ireland for clearing persons.
"Senior Manager(s)"	the senior manager(s) of the Company from time to time, which as at the date of this Prospectus is Corrado Rosi as Group Chief Operating Officer.
"Settlement Agreements"	certain English law governed settlement agreements between TAG and four settlor independent third-parties, entered into prior to the date of this Prospectus, pursuant to which. conditional on Admission, TAG has irrevocably agreed to procure that RegTech Italy transfers 2,864,000 Existing Ordinary Shares to settle outstanding debts between TAG and such independent third-parties, using the Purchase Price as a denominator.

"Share Dealing Code"	RTOP's code governing the restrictions imposed on persons discharging managerial responsibility and persons closely associated with them in relation to dealings in the Company's securities which is consistent with UK MAR.
"Shareholder"	a holder of Ordinary Shares.
"Shareholder Facility"	an unsecured working capital facility to cover the Group's working capital requirements provided by RegTech Italy pursuant to the Shareholder Loan Agreement.
"Shareholder Loan Agreement"	an English law governed agreement relating to the Shareholder Facility, cast as a deed, between the Company and RegTech Italy, dated 21 August 2023.
"SPAs"	certain English and Italian law governed sale and purchase agreements between TAG and 12 Purchasers, entered into prior to the date of this Prospectus, pursuant to which TAG has irrevocably agreed to sell, and the Purchasers have irrevocably agreed to buy, in aggregate 17,483,000 Existing Ordinary Shares at the Purchase Price.
"special resolution"	a resolution of Shareholders requiring a majority of not less than 75%.
"SMEs"	small and medium-sized enterprises.
"Standard Listing"	a standard listing under Chapter 14 of the Listing Rules.
"Subdivision"	the subdivision by the Company of its entire issued share capital of 12,000,000 ordinary shares of nominal value £1.00 each into 60,000,000 Ordinary Shares of nominal value £0.20 each.
"Subscriber Shares"	50,000 ordinary shares of nominal value £1.00 each subscribed for by TAG on incorporation of the Company.
"TAG"	The AvantGarde Group S.p.A., a <i>società per azioni</i> incorporated in Italy, with its registered office at Via Giosue Carducci 36, 20123 Milano, Italy, and company number MI-2587254.
"TAG Service Agreement"	an Italian law governed service agreement between TAG and RegTech Italy, dated 1 January 2019, which was amended and restated on 1 January 2023, and transferred to the Company on 14 August 2023.
"TAG Services"	certain business support services including access to information technology provision, office premises and software development and access to certain employees of TAG from time to time in relation to the provision of those services to be provided by TAG to Company pursuant to the TAG Service Agreement.
"Takeover Code"	the City Code on Takeovers and Mergers.
"Takeover Panel"	the UK Panel on Takeovers and Mergers.
"TCFD"	Task Force on Climate-Related Financial Disclosures.
"Tibro"	Tibro S.r.l. (previously Orbit Italy S.r.l.), a <i>società a responsabilità limitata</i> incorporated in Italy, with its registered office at Via Mario Vinciguerra, 77A, 00128, Roma, Italy.
"TIDM"	Tradable Instrument Display Mnemonic.
"UK GDPR"	GDPR, which is part of UK domestic law by virtue of the EUWA.
"UK MAR"	Regulation ((EU) 596/2014), which is part of UK domestic law by virtue of Market Abuse (Amendment) (EU Exit) Regulations 2019 (<i>SI 2019/310</i>).
"UK Prospectus Regulation"	EU Prospectus Regulation, together with the delegated acts, implementing acts and technical standards, which is part of UK domestic law by virtue of the EUWA.
"uncertificated" or "uncertificated form"	in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in uncertificated form (<i>i.e.</i> , in CREST) and title to which may be transferred by using CREST.
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland.
"United States" or "US"	the United States of America, its possessions or territories, any State of the United States of America and the district of Columbia or any area subject to its jurisdiction or any political subdivision thereof.

"US GAAS"	auditing standards generally accepted in the US.
"VAT"	(i) within the EU, any tax imposed by any EU member state in conformity with the Directive of the Council of the European Union on the common system of value added tax (2006/112/EC), and (ii) outside the EU, any tax corresponding to, or substantially similar to, the common system of value added tax referred to in paragraph (i) of this definition.
"VPN"	virtual private network.
"VWAP"	volume-weighted average price.
"Warrants"	up to 7,500,000 warrants issuable by the Company pursuant to the Warrant Instrument, conditional on Admission, which are each exercisable into one new Ordinary Share (and "Warrant Shares" shall be construed accordingly) at the Exercise Price, or on a cashless basis.
"Warrant Instrument"	a warrant instrument executed by the Company, cast as a deed, on 21 August 2023.
"Working Capital Period"	the working capital period of 12 months from the date of this Prospectus.
"Working Capital Period Amount"	RTOP's aggregate estimated costs during the Working Capital Period.
"2023/2024"	the UK tax year ending 5 April 2024.