

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or about what action to take, you are recommended immediately to seek your own professional advice from your stockbroker, solicitor, accountant or other appropriately qualified independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are taking advice in the United Kingdom or, if you are taking advice in another jurisdiction, from another appropriately authorised independent financial adviser. All Shareholders are advised to consult their professional advisers regarding their own tax position.

If you have sold or otherwise transferred all of your shares in the Company you should at once forward this document, the accompanying Form of Proxy and reply paid envelope (for use in the UK only) (but not any accompanying personalised Tender Form) to the purchaser or transferee or to the stockbroker, bank or other person through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any Restricted Jurisdiction.

N+1 Singer, which is authorised and regulated by the Financial Conduct Authority, is acting for the Company in connection with the matters referred to herein and is not advising any other person or treating any other person as a customer in relation to such matters and will not be responsible to any such person for providing the protections afforded to customers of N+1 Singer or for providing advice in connection with the matters referred to herein.

## **ZYTRONIC PLC**

(Incorporated and Registered in England and Wales with registered number 03881244)

### **Proposed return of up to £10 million by way of a Tender Offer to purchase up to 6,896,551 Ordinary Shares at 145 pence per share**

**and**

### **Notice of General Meeting**

The availability of the Tender Offer to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located. Persons who are not resident in the United Kingdom should read the paragraph headed "Overseas Shareholders" set out in Part 2 of this document and should inform themselves about, and observe, any applicable legal or regulatory requirements.

The Tender Offer is not being made, directly or indirectly, in or into, or by use of the mails, or by any means or instrumentally (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce or of any facility of a national securities exchange, of any Restricted Jurisdiction and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility from or within any Restricted Jurisdiction.

Accordingly, unless otherwise determined by N+1 Singer and permitted by applicable law and regulation, neither this document nor the accompanying Tender Form nor any related document, is being, or may be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed, or sent in, into or from any Restricted Jurisdiction, and persons receiving this Circular, the accompanying Tender Form and/or any related document (including without limitation, trustees, nominees or custodians) must not mail or otherwise forward, distribute or send it in, into or from such Restricted Jurisdiction, as to do so may invalidate any purported acceptance of the Tender Offer. Any person (including, without limitation, trustees, nominees or custodians) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this Circular together with the accompanying Tender Form and/or any related document to any jurisdiction outside the United Kingdom, should seek appropriate advice before taking any action.

The Tender Offer is conditional on approval of the Tender Offer by Shareholders, which is being sought at a General Meeting of the Company to be held at the office of the Company at Whiteley Road, Blaydon-on-Tyne, NE21 5NJ at 9.30 a.m. on 25 February 2021, notice of which is set out at the end of this Circular. The accompanying Form of Proxy for use in connection with the General Meeting should be completed and returned to the Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible, but in any event so as to arrive not later than 9.30 a.m. on 23 February 2021. Whilst the completion and return of the Form of Proxy will not preclude you from attending the General Meeting or any adjournment of that meeting and voting in person, Shareholders are reminded that, given the current government restrictions in relation to the COVID-19 pandemic, the Board has decided to prohibit Shareholders attending the General Meeting in person with the exception of the minimum number of Directors as Shareholders needed to form a quorum. Any Shareholder who attempts to attend the General Meeting in person will be refused entry. As such, voting on the Resolution at the General Meeting shall be decided by way of a poll and not by a show of hands. The Company strongly encourages all Shareholders to submit their Form of Proxy, appointing the Chairman of the General Meeting as proxy. If you are a Qualifying Shareholder holding shares in certificated form and wish to participate in the proposed Tender Offer, you should complete and return the accompanying Tender Form to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH (using the accompanying reply paid envelope for use within the UK only) by not later than 1.00 p.m. on 23 February 2021. If you are a Qualifying Shareholder holding shares in uncertificated form and wish to participate in the proposed Tender Offer, you should send the TTE instruction through CREST so as to settle by no later than 1.00 p.m. on 23 February 2021.

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### EXPECTED TIMETABLE OF EVENTS

Announcement of the Proposals and date of this document	1 February 2021
Tender Offer opens	4 February 2021
Latest time for receipt of Forms of Proxy	9.30 a.m. on 23 February 2021
Latest time for receipt of Tender Forms and TTE Instructions in relation to the Tender Offer	1.00 p.m. on 23 February 2021
Tender Offer Closing Date	1.00 p.m. on 23 February 2021
Tender Offer Record Date	6.00 p.m. on 23 February 2021
General Meeting	9.30 a.m. on 25 February 2021
Announcement of result of Tender Offer	25 February 2021
Purchase of Ordinary Shares under the Tender Offer	26 February 2021
Latest date for posting of cheques in respect of the Tender Offer, along with any balance certificates or the crediting of CREST accounts	3 March 2021

#### Notes:

1. Each of these times and dates are indicative only and are subject to change. If any of these times and/or dates change, the revised times and/or dates will be notified by the Company to Shareholders by announcement through a Regulatory Information Service.
2. All of the times in this document refer to London time unless otherwise stated.

**If you have any questions about the procedure for tendering Ordinary Shares or if you want help in completing and returning the Tender Form or Form of Proxy, please contact Computershare Investor Services PLC on 0370 707 1428. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.**

## PRINCIPAL STATISTICS OF THE TENDER OFFER

Current number of issued Ordinary Shares	16,044,041
Maximum number of Ordinary Shares to be purchased under the Tender Offer	6,896,551
Resulting Share Capital assuming maximum take-up of the Tender Offer	9,147,490

This Circular contains (or may contain) certain forward-looking statements with respect to certain of the Company's and/or the Directors' current expectations or projections about future events. These statements, which sometimes use words such as "anticipate", "believe", "intend", "estimate", "expect" and words of similar meaning, reflect the Directors' beliefs and expectations and involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by any such forward-looking statement. Statements contained in this Circular regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this Circular is subject to change without notice and neither N+1 Singer nor the Company, except as required by applicable law, assumes any responsibility or obligation to update publicly or review any of the forward-looking statements contained herein. You should not rely on forward-looking statements, which speak only as of the date of this Circular.

**PART 1**  
**LETTER FROM THE CHAIRMAN**

**ZYTRONIC PLC**

(Incorporated in England and Wales with registered number 03881244)

*Directors:*

Tudor Davies (Non-executive Chairman)  
David Buffham (Non-executive Director)  
Mark Cambridge (Chief Executive Officer)  
Claire Smith (Group Finance Director)

*Registered Office:*

Whiteley Road  
Blaydon-on-Tyne  
NE21 5NJ

1 February 2021

Dear Shareholder,

**Proposed return of up to £10 million by way of a Tender Offer to purchase up to 6,896,551 Ordinary Shares at 145 pence per Ordinary Share representing approximately 43 per cent. of the Company's share capital and Notice of General Meeting.**

**Introduction**

The Board has previously announced, in the Company's Final Results for the 12 months ended 30 September 2020 (released on 8 December 2020), that a large proportion of the year-end cash balances of £14 million are surplus to current requirements and that it may be appropriate to distribute surplus cash by a share buy-back, and the Company would seek Shareholder approval for the requisite authorities at the next general meeting.

The Company now intends to launch a tender offer to purchase up to 6,896,551 ordinary shares at the Tender Offer Price of 145 pence, being a premium of approximately 14 per cent. to the average mid-market closing price over the last five trading days. If the maximum number of Ordinary Shares are acquired in the Tender Offer, this will result in an amount of approximately £10 million being returned to Shareholders.

The Tender Offer is being made available to all Qualifying Shareholders who are on the Register at the close of business on 23 February 2021.

Qualifying Shareholders can choose whether they want to tender some, all, or none of their shareholdings. The extent to which any tenders in excess of Basic Entitlements will be accepted is subject to other Qualifying Shareholders having tendered less than their Basic Entitlements. Qualifying Shareholders are not obliged to tender any of their Ordinary Shares if they do not wish to do so.

This Circular sets out the background to and reasons for the Tender Offer and why the Directors believe the Tender Offer to be in the best interests of the Company and its Shareholders as a whole. This Circular also contains full details of the Tender Offer including the procedure that should be followed by those Qualifying Shareholders who wish to participate in the Tender Offer.

This Circular also contains a notice convening a General Meeting of the Company, to be held at the office of the Company at Whiteley Road, Blaydon-on-Tyne, NE21 5NJ at 9.30 a.m. on 25 February 2021, to consider the Resolution necessary to authorise the Tender Offer. If the Resolution is not passed, the Company will not be able to proceed with the Tender Offer. Shareholders are reminded that, given the current government restrictions in relation to the COVID-19 pandemic, the Board has decided to prohibit Shareholders attending the General Meeting in person with the exception of the minimum number of Directors as Shareholders needed to form a quorum. Any Shareholder who attempts to attend the General Meeting in person will be refused entry. As such, voting on the Resolution at the General Meeting shall be decided by way of a poll and not by a show of hands. The Company strongly encourages all Shareholders to submit their Form of Proxy, appointing the Chairman of the General Meeting as proxy.

The Board is unanimously recommending Shareholders to vote in favour of the Resolution to be proposed at the General Meeting, as the Directors intend to do in respect of their own beneficial holdings of shares representing approximately 1.5 per cent. of the voting rights in the Company.

As described below, in the event that the Tender Offer is not fully taken up, the passing of the Resolution will also enable the Company to use the balance of the authority granted at the General Meeting to make on-market purchases of Ordinary Shares from time to time. Should this be likely, a further announcement would be made in due course. Shareholders should note that the price paid in such buy-backs, if there are any, would not necessarily be the Tender Offer Price but (consistent with the buy-back authority being sought at the Annual General Meeting, which is being held immediately prior to the General Meeting, and which is in addition to any authority granted at the General Meeting) at a price of not more than a 5.0 per cent. premium to the average closing mid-market price for the five business days prior to the purchase.

### **Background to the Tender Offer**

The Company had, until this financial year, a 17 year record of profitability and strong cash generation, with an unbroken dividend record between 2005 and 2020, during which time it had also accumulated cash balances of £14 million.

In May 2020 as the COVID-19 pandemic began to significantly affect the business, the Board decided the Company should not pay a dividend until there was a return towards normality.

The Board has, since then, taken the necessary action to adjust operations to meet the lower levels of demand, but a recovery to profitability may take some time and is dependent on a successful worldwide vaccination programme allowing markets to re-open.

However, having considered the future cash requirements and after retaining sufficient funds for working capital, the Company is in the position to return £10 million surplus cash to Shareholders to provide them with the opportunity to realise some of their investment in the Company.

### **Benefits of the Proposals**

The Board considered a range of options for returning cash to Shareholders but decided to proceed by way of the Tender Offer as it believes this process benefits both Qualifying Shareholders and the Company.

In particular, the Directors believe that the Tender Offer:

- ensures equal opportunity to all Qualifying Shareholders to participate in the return of capital by offering a guaranteed Basic Entitlement of approximately 43 per cent. of their shareholding;
- enables those Shareholders who do not wish to receive capital at this time to maintain their full investment in the Company;
- provides those Qualifying Shareholders who wish to sell Ordinary Shares with the opportunity to do so, without dealing costs; and
- is available to all Qualifying Shareholders regardless of the size of their shareholdings.

## Details of the Tender Offer

The Directors propose that the Tender Offer be made, pursuant to which N+1 Singer will purchase, as principal, up to approximately 43 per cent. of the Company's Ordinary Shares at a price of 145 pence per Ordinary Share, subject to the terms and conditions of the Tender Offer set out in Part 2 of this Circular.

The Tender Offer is being made subject to the passing of a special resolution which will be proposed at the General Meeting. The Tender Offer is also subject to the conditions set out in the Share Purchase Agreement and Part 2 of this Circular being fulfilled. The Tender Offer is open to Qualifying Shareholders on the Register at 6.00 p.m. on the Tender Offer Record Date.

In accordance with the terms and subject to the conditions of the Share Purchase Agreement, the Company shall purchase from N+1 Singer the Ordinary Shares which N+1 Singer has purchased pursuant to the Tender Offer at a price of 145 pence per Ordinary Share. All of the Ordinary Shares purchased by the Company under the Share Purchase Agreement will be cancelled.

The purchase of shares from N+1 Singer pursuant to the Share Purchase Agreement will be funded from the surplus cash of the Company and paid out of its distributable reserves. Accordingly, following the completion of the Purchase, the Company's distributable reserves will be reduced by the size of the Tender Offer. If the Share Purchase Agreement becomes unconditional and the Tender Offer is taken up in full, the Resulting Share Capital would comprise 9,147,490 Ordinary Shares. The Company does not hold any shares in treasury.

The Tender Offer is being effected by N+1 Singer, the Company's corporate broker, as principal, on the basis that all Ordinary Shares that it buys under the Tender Offer will be subsequently purchased from it by the Company pursuant to the terms of the Share Purchase Agreement.

In accordance with section 702 of the Companies Act, the Share Purchase Agreement will be available for inspection without charge by Shareholders and any other person at the Company's registered office for at least ten years following the Tender Offer Closing Date.

The Tender Offer involves the following:

- The Tender Offer is being made to Qualifying Shareholders by N+1 Singer, acting as principal, for the purchase of up to 6,896,551 Ordinary Shares, representing approximately 43 per cent. of the Existing Share Capital.
- Under the Tender Offer, each Qualifying Shareholder is entitled to tender their Basic Entitlement (representing approximately 43 per cent. of their shareholding) with potentially further sales depending on whether the number of shares tendered by all Qualifying Shareholders is less than the aggregate Basic Entitlement.
- The opportunity for Qualifying Shareholders to sell Ordinary Shares at a premium of approximately 14 per cent. to the average of the mid-market price over the five trading days to 29 January 2021 (being the last practicable date prior to the publication of this Circular).
- Qualifying Shareholders will be able to decide to tender none, some, or all of their Ordinary Shares within the overall limits of the Tender Offer.
- Tenders in excess of a Qualifying Shareholder's Basic Entitlement will only be accepted to the extent that other Qualifying Shareholders tender less than their Basic Entitlement or do not tender any Ordinary Shares.
- All Ordinary Shares validly tendered by any Qualifying Shareholder up to their Basic Entitlement will be accepted in full.
- To the extent that there is sufficient capacity to purchase further Ordinary Shares after having satisfied all valid applications for Basic Entitlements, priority will be given to Qualifying Shareholders owning 200 Ordinary Shares or less who have tendered their entire shareholding, before utilising the remaining available cash resources to purchase additional

Ordinary Shares from other Qualifying Shareholders in accordance with clause 2.4 of Part 2 of this Circular.

- Qualifying Shareholders who hold their Ordinary Shares in uncertificated form (i.e. in CREST) and who wish to tender some or all of their Ordinary Shares should send a TTE instruction through CREST to the member account set out in paragraph 4.3 of Part 2 of this document.
- Ordinary Shares validly tendered by all Qualifying Shareholders will be accepted in the order set out below:
  - all Ordinary Shares validly tendered by any Qualifying Shareholder up to their Basic Entitlement will be accepted in full;
  - all Ordinary Shares validly tendered by Qualifying Shareholders in excess of their Basic Entitlements will be satisfied in accordance with clause 2.4 of Part 2 of this Circular and at the discretion of the Company in consultation with N+1 Singer; and
  - the number of Ordinary Shares to be purchased in the Tender Offer will not, in any event, exceed 6,896,551 Ordinary Shares.
- All successfully tendered Ordinary Shares purchased by N+1 Singer will subsequently be purchased from N+1 Singer by the Company in accordance with the terms of the Share Purchase Agreement and will be immediately cancelled and will not rank for any future dividends.
- Any rights of Qualifying Shareholders who choose not to tender their Ordinary Shares will be unaffected. However, the reduction in the Company's issued share capital may result in a reduction in the liquidity of the Ordinary Shares in the secondary market.

You are recommended to read Part 2 of this Circular which sets out the full terms and conditions of the Tender Offer.

Qualifying Shareholders are not obliged to tender any Ordinary Shares and if they do not wish to participate in the Tender Offer, they should not complete or return a Tender Form or submit a TTE instruction in CREST.

All times and dates in this Circular are indicative only and are subject to change. If any of these times and/or dates change, the revised times and/or dates will be notified by the Company to Shareholders by announcement through a Regulatory Information Service. In particular, the Company reserves the right to extend the Tender Offer Closing Date should it wish to do so, including for the purposes of permitting the Directors to participate in the Tender Offer where they would not otherwise be able to do so on account of the Company being in a "closed period" for the purposes of MAR.

#### **Shareholder's option to tender for more or less than their Basic Entitlement**

Qualifying Shareholders tendering up to their Basic Entitlement will be satisfied in full (subject to completion of the Tender Offer).

Qualifying Shareholders are also entitled to tender a number of Ordinary Shares in excess of their Basic Entitlement (an "**Excess Tender**") if they so wish but any such Excess Tender shall only be satisfied to the extent that other Qualifying Shareholders tender a number of Ordinary Shares that is less than their Basic Entitlement. The aggregate number of shares purchased in the Tender Offer will not in any event exceed 6,896,551 Ordinary Shares.

#### **Ongoing authority to buy back shares**

If the Tender Offer is not taken up in full by Qualifying Shareholders, the Board, having given Qualifying Shareholders the opportunity to participate in the Tender Offer, reserves the right in its absolute discretion to purchase in the market, up to such number of Ordinary Shares as is equal to the difference between the number of Ordinary Shares successfully tendered in the Tender Offer and 6,896,551 Ordinary Shares (being the maximum number of Ordinary Shares to be purchased under the Tender Offer). The key parameters under which any on-market purchases will be made will, save for the potential quantum of

shares to be bought, be identical to those permitted by the authority to make such purchases pursuant to the Company's proposed resolution 4 being put to the Annual General Meeting of the Company which is being held immediately prior to the General Meeting. Such authority may also be used for further on-market purchases at the Company's discretion. The Notice of Annual General Meeting is contained within the Company's annual report and accounts for the year ended 30 September 2020, copies of which have been sent to shareholders and are available at [www.zytronicplc.com/investor-information/finance-performance](http://www.zytronicplc.com/investor-information/finance-performance).

### **Share Purchase Agreement**

The Company and N+1 Singer entered into a share purchase agreement on 1 February 2021, pursuant to which the Company has agreed to purchase from N+1 Singer, on market, such number of Ordinary Shares as N+1 Singer shall purchase pursuant to the Tender Offer, at an aggregate price equal to the amount paid by N+1 Singer for those Ordinary Shares. The Company's purchase of Ordinary Shares from N+1 Singer will be made immediately upon N+1 Singer having completed its purchase of validly tendered Ordinary Shares.

N+1 Singer may terminate the Tender Offer if it receives notice from the Company that, in the Company's reasonable opinion, one or more of the conditions set out in sub-paragraph 2.2 of Part 2 of this Circular have not been satisfied.

In acquiring the Ordinary Shares pursuant to valid tenders made in the Tender Offer and in selling such shares to the Company, N+1 Singer will act as principal.

The Share Purchase Agreement is governed by and construed in accordance with English Law.

### **General Meeting**

The on market purchase of shares pursuant to the Tender Offer, requires, inter alia, the passing of a special resolution by Shareholders. Set out at the end of this document is a notice convening a General Meeting of the Company to be held at the office of the Company at Whiteley Road, Blaydon-on-Tyne, NE21 5NJ at 9.30 a.m. on 25 February 2021 at which the Resolution will be proposed.

Shareholders are reminded that, given the current government restrictions in relation to the COVID-19 pandemic and in the interests of protecting the health and safety of our Shareholders, colleagues and the wider public, the Board has decided to prohibit Shareholders attending the General Meeting in person with the exception of the minimum number of Directors as Shareholders needed to form a quorum. Our advisers and other guests have also been asked not to attend. Any Shareholder who attempts to attend the General Meeting in person will be refused entry. As such, voting on the Resolution at the General Meeting shall be decided by way of a poll and not by a show of hands. The Company strongly encourages all Shareholders to submit their Form of Proxy as early as possible, appointing the Chairman of the General Meeting as proxy.

The Form of Proxy must be received by no later than 9.30 am on Tuesday 23 February 2021 (or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of any adjourned meeting). Questions to the Chairman can be posed via the following email address: [info@zytronicplc.com](mailto:info@zytronicplc.com).

### **Directors' and others' interests**

Please see Part 3 of this document for information relating to the Directors' and others' interests in the share capital of the Company.

### **Significant Change**

Save as publicly disclosed by way of notification to a Regulatory Information Service, there has been no significant change in the financial or trading position of the Group since 30 September 2020, being the date to which the Company's last financial statements were prepared

### **Directors' responsibility**

The Directors accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

### **How to accept the Tender Offer**

#### **A. Ordinary Shares in certificated form (that is, not in CREST)**

Qualifying Shareholders who hold Ordinary Shares in certificated form will also find accompanying this document a **Tender Form** for use in connection with the Tender Offer. Such Qualifying Shareholders who wish to tender some or all of the Ordinary Shares registered in their name on the Tender Offer Record Date should complete the **Tender Form** in accordance with the instructions printed thereon and in Part 2 of this Circular.

The completed, signed and witnessed Tender Form **together with your valid share certificates and/or other document(s) of title** should be sent by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH by no later than 1.00 p.m. on 23 February 2021.

A prepaid envelope is enclosed for this purpose (for use within the UK only).

#### **B. Ordinary Shares in uncertificated form (that is, in CREST)**

Qualifying Shareholders who hold Ordinary Shares in CREST (uncertificated form) who wish to take advantage of the Tender Offer should comply with those procedures set out in Part 2 of this Circular in respect of transferring uncertificated Ordinary Shares in escrow through CREST.

To do so they should ensure that their CREST nominee custodians, brokers or financial advisers have been advised to send the TTE instruction through CREST so as to settle by no later than 1.00 p.m. on 23 February 2021.

**Qualifying Shareholders are not obliged to tender any Ordinary Shares and if they do not wish to participate in the Tender Offer, they should not complete or return a Tender Form or submit a TTE instruction in CREST.**

**If you have any questions about the procedure for tendering Ordinary Shares or if you want help in completing and returning the Tender Form or Form of Proxy, please contact Computershare Investor Services PLC on 0370 707 1428.**

**The helpline is open between 9.00 a.m. – 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.**

### **Recommendations by the Directors**

The Board considers that the Tender Offer is in the best interests of Shareholders as a whole. Accordingly, the Board recommends that Shareholders vote in favour of the Resolution, as they intend to do in respect of their own holdings of Ordinary Shares representing, in aggregate, approximately 1.5 per cent. of the issued share capital of the Company. The Directors shall not however be participating in the Tender Offer.

The Board is making no recommendation to individual Qualifying Shareholders in relation to participation in the Tender Offer. Whether or not Qualifying Shareholders decide to tender their Ordinary Shares will depend, amongst other things, on their own individual circumstances, including their own tax position. Qualifying Shareholders are recommended to consult an appropriately authorised independent adviser in determining whether or not to participate in the Tender Offer and the extent of any such participation.

Yours faithfully,

Tudor Davies  
Non-executive Chairman  
For and on behalf of the Board

## PART 2

### TERMS AND CONDITIONS OF THE TENDER OFFER

Qualifying Shareholders who do not wish to participate in the Tender Offer do not need to take any action.

#### 1. INTRODUCTION

Qualifying Shareholders on the Register on the Tender Offer Record Date are being invited to tender their Ordinary Shares for purchase by N+1 Singer on the terms and subject to the conditions set out in this Circular and, in the case of certificated Ordinary Shares only, in the Tender Form.

#### 2. TERMS OF THE TENDER OFFER

- 2.1 N+1 Singer hereby offers to purchase Ordinary Shares, as principal, from Qualifying Shareholders on and subject to the terms set out in this Circular and (for holders of shares in certificated form) the Tender Form.
- 2.2 The Tender Offer is conditional upon the following (together, the “**Tender Conditions**”):
- 2.2.1 the passing of the Resolution;
- 2.2.2 the conditions set out in the Share Purchase Agreement being satisfied;
- 2.2.3 the Share Purchase Agreement not having been terminated; and
- 2.2.4 the Tender Offer not having been terminated in accordance with paragraph 2.23 of this Part 2.

N+1 Singer will not purchase the Ordinary Shares pursuant to the Tender Offer unless the Tender Conditions have been satisfied. The Tender Conditions may not be waived by N+1 Singer or the Company. If any of the above conditions is not satisfied by 1.00 p.m. on 26 February 2021 (or such later time and date as the Company and N+1 Singer may agree), the Tender Offer will not proceed and will lapse. The Company reserves the right to extend any time or date specified in the Circular at its sole discretion (but in consultation with N+1 Singer), including extending the Tender Offer Closing Date for the purposes of permitting the Directors to participate in the Tender Offer where they otherwise would not be able to do so pursuant to MAR.

- 2.3 All Ordinary Shares tendered by Qualifying Shareholders under the Tender Offer will be tendered at the Tender Offer Price. Ordinary Shares may not be tendered at any other price.
- 2.4 Each Qualifying Shareholder is entitled, subject to the terms and conditions set out in this Part 2, to tender up to their Basic Entitlement. Qualifying Shareholders are permitted to submit Tender Forms or TTE instructions in respect of Ordinary Shares that are in excess of their Basic Entitlement (“**Excess Tenders**”). To the extent that other Qualifying Shareholders have not taken up their Basic Entitlement (thereby creating “**Excess Capacity**”) Qualifying Shareholders will have their Excess Tenders satisfied in full to the extent that the Excess Capacity exceeds the aggregate Excess Tenders. To the extent that the aggregate Excess Tenders exceed Excess Capacity, Excess Tenders shall be satisfied:
- 2.4.1 in the first instance, to those Qualifying Shareholders who hold 200 Ordinary Shares or fewer and have applied, in aggregate, to tender their entire shareholding; and
- 2.4.2 second, all individual Excess Tenders will then be scaled-back in such manner as the Company may, having consulted with N+1 Singer, in its absolute discretion decide, provided that the total number of Ordinary Shares to be purchased under the Tender Offer does not exceed 6,896,551.

The decision of the Company as to the scaling back of tenders received and the treatment of fractions or other issues arising from any such scaling back will be conclusive and binding on all Qualifying Shareholders.

- 2.5 Subject to the terms of the Tender Offer, N+1 Singer will purchase, as principal, Ordinary Shares tendered by Qualifying Shareholders under the Tender Offer at the Tender Offer Price on 26 February 2021.
- 2.6 The total number of Ordinary Shares purchased pursuant to the Tender Offer will not exceed 6,896,551 Ordinary Shares, equivalent to a maximum total amount payable of approximately £10 million if the Tender Offer is taken up in full.
- 2.7 The Tender Offer is only available to Qualifying Shareholders on the Register on the Tender Offer Record Date and is only being made in respect of the number of Ordinary Shares registered in those Qualifying Shareholders' names at such time.
- 2.8 Tender Forms once duly completed (for Ordinary Shares held in certificated form) and submitted to the Receiving Agent and TTE instructions which have settled (for Ordinary Shares held in uncertificated form) will become irrevocable and cannot be withdrawn. All questions as to the validity (including time of receipt) will be determined by N+1 Singer, in its sole discretion, which determination shall be final and binding (except as otherwise required under applicable law). None of the Company, N+1 Singer nor any other person is or will be obliged to give notice of any defects or irregularities and none of them will incur any liability for failure to give such notice.
- 2.9 The Tender Offer will close at 1.00 p.m. on the Tender Offer Closing Date and no Tender Forms or TTE instructions received after that time will be accepted unless otherwise approved by N+1 Singer (with the consent of the Company). N+1 Singer (acting with the consent of the Company) reserves the right, subject to applicable legal and regulatory requirements, to extend the period for tendering under the Tender Offer at any time prior to 1.00 p.m. on the Tender Offer Closing Date. Any material change to the expected timetable will be notified to Shareholders by way of an announcement to the London Stock Exchange. Any such extension will comply with all applicable legal and regulatory requirements.
- 2.10 All or any part of a holding of Ordinary Shares may be tendered. Only whole numbers of Ordinary Shares may be tendered and, in the event of scaling back, successful tenders will be rounded down to the nearest whole number of Ordinary Shares in accordance with paragraph 2.4 of this Part 2.
- 2.11 Ordinary Shares successfully tendered under the Tender Offer will be sold to N+1 Singer fully paid and free from all liens, charges, equitable interests and encumbrances and with all rights attaching to the same. If the Share Purchase Agreement becomes unconditional, Ordinary Shares successfully tendered under the Tender Offer (or a corresponding number of Ordinary Shares) will be sold by N+1 Singer to the Company through the facilities of the London Stock Exchange and will subsequently be cancelled and will not rank for any dividends, distribution or other equity related rights declared by the Company after that date.
- 2.12 All tenders of Ordinary Shares held in certificated form must be made on the Tender Form duly completed in accordance with the procedures set out below and on the Tender Form (which constitute part of the terms of the Tender Offer).
- 2.13 All tenders of Ordinary Shares held in uncertificated form must be made by the input and settlement of an appropriate TTE instruction in CREST in accordance with the procedure set out below and the relevant procedures in the CREST manual.
- 2.14 A tender will only be valid if the procedures contained in this Circular and, for Qualifying Shareholders who hold Ordinary Shares in certificated form, in the Tender Form, or, as applicable, for Qualifying Shareholders who hold Ordinary Shares in uncertificated form, the relevant parts of the CREST manual, are complied with.
- 2.15 The Tender Offer will be governed by, and construed in accordance with, the laws of England and Wales and the delivery of a Tender Form or the input of a TTE instruction by a Qualifying Shareholder will constitute submission to the jurisdiction of the courts of England and Wales.

- 2.16 The result of the Tender Offer and, if applicable, the extent to which Excess Tenders will be scaled down pursuant to paragraph 2.4 of this Part 2, is expected to be announced by N+1 Singer and the Company on 26 February 2021.
- 2.17 All documents and remittances sent by or to Qualifying Shareholders and all instructions made by or on behalf of a Shareholder in CREST relating to the Tender Offer will be sent at the relevant Qualifying Shareholder's own risk. If the Tender Offer does not become unconditional, or does not proceed, and lapses, in respect of Ordinary Shares held in certificated form, Tender Forms, certificates and other documents of title will be returned by post to Qualifying Shareholders not later than five Business Days after the date of such lapse, or, in the case of Ordinary Shares held in uncertificated form (that is, in CREST), the Receiving Agent will provide instructions to Euroclear to transfer all Ordinary Shares held in escrow by TFE instruction to the original available balances to which those Ordinary Shares relate.
- 2.18 If only part of a holding of Ordinary Shares is successfully tendered pursuant to the Tender Offer, the relevant Qualifying Shareholder will be entitled to receive the following:
- 2.18.1 if Ordinary Shares are held in certificated form, a certificate in respect of the unsold Ordinary Shares; or
- 2.18.2 if Ordinary Shares are held in uncertificated form (that is, in CREST), the transfer by the Receiving Agent by TFE instruction to the original available balances of those unsold Ordinary Shares.
- 2.19 Further copies of the Tender Form may be obtained on request from the Receiving Agent at Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH, or by telephone to Computershare Investor Services PLC on 0370 707 1428. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.
- 2.20 All questions as to the number of Ordinary Shares tendered and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any tender of Ordinary Shares under the Tender Offer will be determined by N+1 Singer (acting with the consent of the Company), which determination shall be final and binding on all parties except as otherwise required under applicable law. N+1 Singer (acting with the consent of the Company) reserves the absolute right to reject any or all tenders it determines not to be in proper form or the acceptance of payment which may, in the opinion of N+1 Singer, be unlawful. N+1 Singer (acting with the consent of the Company) also reserves the absolute right to waive any of the terms or conditions of the Tender Offer (other than the Tender Conditions) and any defect or irregularity in the tender of any particular Ordinary Shares or any particular holder thereof. Unless N+1 Singer determines otherwise (acting with the consent of the Company), no tender of Ordinary Shares will be deemed to be validly made until all defects or irregularities have been cured or waived. In the event of a waiver, the consideration under the Tender Offer will not be despatched (in respect of Ordinary Shares in certificated form) or made by way of CREST payment (in respect of Ordinary Shares in uncertificated form) to the relevant Qualifying Shareholder until after (in the case of Ordinary Shares in certificated form) the Tender Form is complete in all respects and the share certificate(s) and/or other document(s) of title satisfactory to N+1 Singer have been received or (in the case of Ordinary Shares in uncertificated form) the relevant TTE instruction has settled. None of the Receiving Agent, N+1 Singer, the Company nor any other person is or will be obliged to give notice of any defects or irregularities in any tender and none of them will incur any liability for failure to give any such notice.
- 2.21 Ordinary Shares will be purchased under the Tender Offer free of all commissions and dealing charges.
- 2.22 The failure of any person to receive a copy of this Circular or the Tender Form shall not invalidate any aspect of the Tender Offer. None of the Company, Receiving Agent, N+1 Singer or any other person will incur any liability in respect of any person failing to receive this Circular and/or the Tender Form.

- 2.23 The Directors reserve the right to terminate the Tender Offer at any time on or before announcement of the result of the Tender Offer if:
- 2.23.1 the Board in its absolute discretion concludes that the Tender Offer would no longer be in the interests of the Company and/or Shareholders; or
  - 2.23.2 there shall occur any change in the national or international, financial, economic, political or market conditions; or
  - 2.23.3 there shall occur any change in the financial position or prospects and/or circumstances of the Company (including, without limitation, in relation to the Company's profits available for distribution), which, in respect of (i) and (ii) above, in the opinion of the Board (acting in its absolute discretion), renders the Tender Offer temporarily or permanently impractical or inadvisable (taking into account the background to and reasons for the Tender Offer), in which case the Company shall be entitled to determine that the Tender Offer is terminated and that no Ordinary Shares tendered under the Tender Offer shall be purchased. If such determination is made, the Company shall, as soon as practicable thereafter, announce the same to the London Stock Exchange and notify Shareholders in writing.
- 2.24 The terms of the Tender Offer shall have effect subject to such non-material modifications as the Company and N+1 Singer may from time to time approve in writing. The times and dates referred to in this Circular may be amended by agreement in writing between the Company and N+1 Singer (subject to the provisions of paragraph 2.9 of this Part 2).
- 2.25 Except as contained in this Circular, no person has been authorised to give any information or make any representations with respect to the Company or the Tender Offer and, if given or made, such information or representations should not be relied on as having been authorised by N+1 Singer or the Company. Under no circumstances should the delivery of this Circular or the delivery of any consideration pursuant to the Tender Offer create any implication that there has been no change in the assets, properties, business or affairs of the Company since the date of this Circular.
- 2.26 The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this Circular.

### **3. OVERSEAS SHAREHOLDERS**

- 3.1 Overseas Shareholders should inform themselves about and observe any applicable or legal regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction.
- 3.2 The making of the Tender Offer in, or to persons resident in, jurisdictions outside the United Kingdom or to persons who are citizens, residents or nationals of other countries may be affected by the laws of the relevant jurisdiction. Shareholders who are not resident in the United Kingdom, or who are citizens, residents or nationals of countries outside the United Kingdom should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Overseas Shareholder wishing to take up the Tender Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any Overseas Shareholder will be responsible for any such transfer or other taxes or other requisite payments by whomsoever payable and the Company, the Registrar and N+1 Singer and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such transfer or other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of the Tender Form in any territory outside the United Kingdom.
- 3.3 In particular, the Tender Offer is not being made directly or indirectly in, into or from or by use of the mail or by any means or instrumentality (including, without limitation, facsimile transmission,

telex, and telephone) of interstate or foreign commerce, or any facility of a national securities exchange, of a Restricted Jurisdiction and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility from within a Restricted Jurisdiction. Accordingly, copies of this Circular, the Tender Form and any related documents are not being and must not be mailed or otherwise distributed or sent in, into, or from a Restricted Jurisdiction, including to Shareholders with registered addresses in a Restricted Jurisdiction, or to persons who are custodians, nominees or trustees holding Ordinary Shares for persons in a Restricted Jurisdiction. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute, send or mail them in, into or from a Restricted Jurisdiction or use such mails or any such means, instrumentality or facility in connection with the Tender Offer, and doing so will render invalid any related purported acceptance of the Tender Offer. Persons wishing to accept the Tender Offer should not use such mails or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to acceptance of the Tender Offer. Envelopes containing a Tender Form should not be postmarked in or otherwise despatched from a Restricted Jurisdiction and all Qualifying Shareholders wishing to participate in the Tender Offer must provide addresses outside a Restricted Jurisdiction for the remittance of cash or return of Tender Forms and share certificates.

3.4 If, in connection with making the Tender Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this Circular, the Tender Form or any related documents in, into or from a Restricted Jurisdiction or uses the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or any facility of a national securities exchange, of a Restricted Jurisdiction in connection with such forwarding, such persons should:

3.4.1 inform the recipient of such fact;

3.4.2 explain to the recipient that such action may invalidate any purported acceptance by the recipient; and

3.4.3 draw the attention of the recipient to this section of this Circular.

3.5 The provisions in this paragraph and/or any other terms of the Tender Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Overseas Shareholders or on a general basis by N+1 Singer in its absolute discretion but only if N+1 Singer is satisfied that such waiver, variation or modification will not constitute or give rise to a breach of applicable securities or other law. Subject to this, the provisions in this paragraph headed “**Overseas Shareholders**” supersede any terms of the Tender Offer inconsistent therewith. References to a Shareholder shall include references to the persons executing a Tender Form and in the event of more than one person executing Tender Forms, the provisions in this paragraph shall apply to them jointly and severally.

3.6 **Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. The comments set out in this Circular are intended as a general guide only and Overseas Shareholders who are in any doubt about their position should consult their professional adviser in the relevant territory.**

## 4. PROCEDURE FOR TENDERING

### 4.1 Different procedures for certificated and uncertificated Ordinary Shares

If you hold Ordinary Shares in certificated form, you may only tender such Ordinary Shares by completing and returning the Tender Form, in accordance with the instructions printed thereon and set out in **paragraph 4.2 below**. If you hold Ordinary Shares in uncertificated form (that is, in CREST) you may only tender such Ordinary Shares by TTE instruction in accordance with the procedure set out in **paragraph 4.3 below** and, if those Ordinary Shares are held under different member account IDs, you should send a separate TTE instruction for each member account ID.

## **4.2 Ordinary Shares held in certificated form**

To participate in the Tender Offer, Qualifying Shareholders holding Ordinary Shares in certificated form must complete, sign, have witnessed and return the Tender Form in accordance with these instructions and the instructions on the Tender Form.

The following instructions should be read together with the notes on the Tender Form.

To take up the Tender Offer in respect of Ordinary Shares held in certificated form, you must sign and have witnessed (in Box 3, depending on whether you are an individual or a body corporate) the accompanying Tender Form in accordance with the instructions thereon.

You should complete separate Tender Forms for Ordinary Shares held in certificated form but under different designations. Additional copies of the Tender Form can be obtained from the Receiving Agent.

Completed, signed and witnessed Tender Forms, together with your valid share certificates and/or other documents of title, should be sent by post in the accompanying reply-paid envelope (for use in the UK only) to the Receiving Agent at Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH, as soon as possible and, in any event, so as to be received no later than 1.00 p.m. on the Tender Offer Closing Date. Tenders received after that time will only be accepted at the sole discretion of N+1 Singer (acting with the consent of the Company).

Duly completed Tender Forms sent by any of the means set out above and received signed and complete in all respects by the prescribed time will be treated as tenders of Ordinary Shares in accordance with the terms and conditions of the Tender Offer. No acknowledgement of receipt of documents will be given.

The completed and signed Tender Form should be accompanied by the relevant share certificate(s) and/or other document(s) of title.

The instructions on the Tender Form shall be deemed to form part of the terms of the Tender Offer.

If you have lost your share certificate and/or other document of title, you should write to the Registrar at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZZ for a letter of indemnity in respect of the lost share certificate and/or other document of title. When completed in accordance with the instructions given, such indemnity should be returned by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH so as to be received as soon as possible and, in any event, no later than 1.00 p.m. on the Tender Offer Closing Date. A fee may be payable by the Shareholder in respect of each letter of indemnity.

If you are in any doubt as to the procedure for acceptance, please telephone Computershare Investor Services PLC on 0370 707 1428. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

By signing and returning a Tender Form, you will be deemed to have appointed N+1 Singer as your agent in respect of the tender process. N+1 Singer will therefore issue a contract note on behalf of all Qualifying Shareholders whose Ordinary Shares are so purchased under the Tender Offer and will remit the cash consideration to the Receiving Agent with instructions that such consideration be remitted to Shareholders in accordance with the instructions set out on the Tender Form.

## **4.3 Ordinary Shares in uncertificated form (that is, in CREST)**

If your Ordinary Shares are in uncertificated form, to tender such shares under the Tender Offer you should take (or procure the taking of) the action set out below to transfer (by means of a TTE instruction) the number of Ordinary Shares you wish to tender under the Tender Offer to the relevant escrow account specifying N+1 Singer (in its capacity as a CREST Participant under the Receiving Agent's Participant ID and Member Account ID as referred to below) as the escrow agent, as soon as possible and in any event so that the transfer to escrow settles by no later than 1.00 p.m. on the Tender Offer Closing Date. Please note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST

system is non-operational) and you should therefore ensure you time the input of any TTE instructions accordingly.

The input and settlement of a TTE instruction in accordance with this paragraph shall constitute an offer to N+1 Singer to sell to it the number of Ordinary Shares at the price indicated on the terms of the Tender Offer by transferring such Ordinary Shares to the relevant escrow account as detailed below.

If you are a CREST Sponsored Member, you should refer to your CREST Sponsor before taking any action. Only your CREST Sponsor will be able to send the TTE instruction to Euroclear in relation to the Ordinary Shares which you wish to tender. The Corporate Action Number is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST.

To tender Ordinary Shares you should send (or, if you are a CREST Sponsored Member, procure that your CREST Sponsor sends) a TTE instruction to Euroclear in relation to such Ordinary Shares.

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

- 4.3.1 the number of Ordinary Shares to be transferred to the relevant escrow account;
- 4.3.2 your Member Account ID;
- 4.3.3 your Participant ID;
- 4.3.4 the Participant ID of the Receiving Agent, in its capacity as a CREST receiving agent, which is 3RA34;
- 4.3.5 the member ID of the Receiving Agent in its capacity as a CREST receiving agent, which is ZYTTE01;
- 4.3.6 the input and settlement of a TTE instruction in accordance with this paragraph shall constitute an offer to N+1 Singer to sell to it the number of Ordinary Shares at the Tender Offer Price on the terms of the Tender Offer, by transferring such Ordinary Shares to the relevant escrow account as detailed above;
- 4.3.7 the ISIN number in respect of the Ordinary Shares, which is GB0006971013;
- 4.3.8 the intended settlement date. This should be as soon as possible and in any event no later than 1.00 p.m. on 23 February 2021;
- 4.3.9 the contact name and telephone number inserted in the shared note field;
- 4.3.10 the corporate action number for the Tender Offer, which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST; and
- 4.3.11 input with a standard delivery instruction priority of 80.

After settlement of the TTE instruction, you will not be able to access the Ordinary Shares concerned for any transaction or charging purposes, notwithstanding that they will be held by the Receiving Agent as the escrow agent until completion or lapse of the Tender Offer. If the Tender Offer becomes unconditional, the Receiving Agent will transfer the successfully tendered Ordinary Shares to N+1 Singer, returning any Ordinary Shares not successfully tendered to you.

You are recommended to refer to the CREST manual published by Euroclear for further information on the CREST procedures outlined below.

You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST Sponsor) to enable a TTE instruction relating to your Ordinary Shares to settle prior to 1.00

p.m. on the Tender Offer Closing Date. In this connection you are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

The Company and/or N+1 Singer will make an appropriate announcement if any of the details contained in this paragraph relating to settlement in CREST are materially altered.

#### **4.4 Deposits of Ordinary Shares into, and withdrawals of Ordinary Shares from, CREST**

Normal CREST procedures (including timings) apply in relation to any Ordinary Shares that are, or are to be, converted from uncertificated to certificated form or vice versa during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Ordinary Shares relating to the Tender Offer or otherwise). Shareholders who are proposing to convert any Ordinary Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person with a holding in or acquiring the Ordinary Shares as a result of the conversion to take all necessary steps in connection with the take up of the Tender Offer (in particular, as regards delivery of share certificates and/or other documents of title or transfers to an escrow balance as described above) prior to 1.00 p.m. on the Tender Offer Closing Date, whether in certificated or uncertificated form.

#### **4.5 Validity of tenders**

##### **4.5.1 Tender Forms**

N+1 Singer reserves the right to treat as valid only Tender Forms which are received entirely in order by 1.00 p.m. on the Tender Offer Closing Date and which are accompanied by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof in respect of the entire number of Ordinary Shares tendered.

##### **4.5.2 Validity of Electronic Tenders**

A Tender Form which is received in respect of Ordinary Shares held in uncertificated form will not constitute a valid tender and will be disregarded. Qualifying Shareholders holding Ordinary Shares in uncertificated form who wish to tender such shares should note that a TTE instruction will only be a valid tender as at the Tender Offer Closing Date, if it has settled before 1.00 p.m. on that date.

An appropriate announcement will be made if any of the details contained in this paragraph are altered.

##### **4.5.3 General**

Notwithstanding the completion of a valid Tender Form or settlement of a TTE instruction, as applicable, the Tender Offer may lapse in accordance with the conditions set out above.

The decision of N+1 Singer as to which Ordinary Shares have been validly tendered shall be conclusive and binding on all Shareholders.

If you are in any doubt as to how to complete the Tender Form or as to the procedure for making an electronic tender please contact Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH. You are reminded that, if you are a CREST Sponsored Member, you should contact your CREST Sponsor before taking any action.

Shareholders should note that once tendered Ordinary Shares may not be sold, transferred, charged or otherwise disposed of.

## **5. EFFECT OF TENDER**

### **5.1 Tender Forms**

Each Qualifying Shareholder by whom or, as applicable, on whose behalf a Tender Form is executed and lodged, including a Tender Form which is treated by N+1 Singer as valid, irrevocably undertakes, represents, warrants and agrees to and with N+1 Singer (so as to bind him, his personal representatives, heirs, successors and assigns) that:

- 5.1.1 the execution of the Tender Form shall constitute an offer to N+1 Singer to sell to it such number of certificated Ordinary Shares as are inserted in Box 2 of the Tender Form or deemed to be tendered, in each case on and subject to the terms and conditions set out or referred to in this document and the Tender Form and that, once lodged, such tender shall be irrevocable;
- 5.1.2 such Qualifying Shareholder has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by N+1 Singer, N+1 Singer will acquire such Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, on or after the Tender Offer Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date;
- 5.1.3 such execution and lodgement, shall, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of each of N+1 Singer and any director or officer of N+1 Singer as such Qualifying Shareholder's agent, and an irrevocable instruction to them as such, to:
  - 5.1.3.1 complete and execute any and all instruments of transfer and/or other documents or forms and take any and all actions which are necessary or, in such agent's absolute discretion, desirable to give effect to the purchase and cancellation of the Ordinary Shares the subject of the Tender Form;
  - 5.1.3.2 deliver such instruments of transfer and/or other documents or forms at the discretion of the agent, together with the share certificates and/or other documents of title relating to such Ordinary Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such agent be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in N+1 Singer or its nominee(s) or such other person(s) as N+1 Singer may direct such Ordinary Shares;
  - 5.1.3.3 procure the purchase of the Ordinary Shares which are the subject of the Tender Form and sell such Ordinary Shares to the Company for cancellation; and
  - 5.1.3.4 despatch or otherwise make payment of the proceeds of sale in respect of the purchased Ordinary Shares in accordance with the settlement provisions set out below;
  - 5.1.3.5 such Qualifying Shareholder shall not take any action which would prevent the Company or the Registrar from cancelling the Ordinary Shares tendered under the Tender Offer;
  - 5.1.3.6 such Qualifying Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by N+1 Singer or any of its directors or officers or any person nominated by N+1 Singer or any of its directors or officers or the Company or any of its directors in the proper exercise of their or his powers and/or authorities hereunder;
  - 5.1.3.7 such Qualifying Shareholder with a holding of Ordinary Shares in certificated form will deliver to the Receiving Agent their share certificate and/or other document of title in respect of the Ordinary Shares referred to in subparagraph 5.1.3.2 above, or an indemnity acceptable to N+1 Singer in lieu thereof, or will procure the delivery of such document(s) to such person(s) as soon as possible thereafter and, in any event, by no later than 1.00 p.m. on the Tender Offer Closing Date;
  - 5.1.3.8 the provisions of the Tender Form constitute part of the terms and conditions of the Tender Offer;
  - 5.1.3.9 such Qualifying Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by N+1 Singer to be desirable, in each case to complete the purchase of the Ordinary Shares and/or to perfect any of the authorities expressed to be given hereunder;

- 5.1.3.10 such Qualifying Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents and complied with all applicable formalities so that the invitation under the Tender Offer may be made to him under the laws of the relevant jurisdiction, and has not taken or omitted to take any action which would otherwise result in N+1 Singer or the Company acting in breach of any applicable legal or regulatory requirement in respect of the purchase of the Ordinary Shares tendered by him under the Tender Offer;
- 5.1.3.11 such Qualifying Shareholder has not received or sent copies or originals of this Circular, the Tender Form or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of a Restricted Jurisdiction and that this Circular or the Tender Form have not been mailed or otherwise sent in, into or from a Restricted Jurisdiction and such Qualifying Shareholder is accepting the Tender Offer from outside a Restricted Jurisdiction;
- 5.1.3.12 the despatch of a cheque to a Qualifying Shareholder as referred to in paragraph 6 of this Part 2 headed “**Settlement**”, will discharge fully any obligation of N+1 Singer to pay such Qualifying Shareholder the consideration to which he is entitled under the Tender Offer;
- 5.1.3.13 on execution a Tender Form takes effect as a deed;
- 5.1.3.14 the execution of a Tender Form constitutes such Qualifying Shareholder’s submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form; and
- 5.1.3.15 if the appointment of agent provision under sub-paragraph (c) above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of N+1 Singer the benefit or authority expressed to be given therein, the Qualifying Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable N+1 Singer to secure the full benefits of sub-paragraph (c) above. A reference in this paragraph to a Qualifying Shareholder includes a reference to the person or persons executing a Tender Form and in the event of more than one person executing a Tender Form, the provisions of this paragraph will apply to them jointly and severally.

## 5.2 Electronic Tenders

Each Qualifying Shareholder by whom, or on whose behalf, a TTE instruction which is treated by N+1 Singer and the Company as valid is made irrevocably undertakes, represents, warrants and agrees to and with N+1 Singer (so as to bind him, his personal representatives, heirs, successors and assigns) that:

- 5.2.1 the input of the TTE instruction shall constitute an offer to sell to N+1 Singer such number of Ordinary Shares as are specified in the TTE instruction or deemed to be tendered, in each case, on and subject to the terms and conditions set out or referred to in this Circular and the TTE instruction and that, once the TTE instruction has settled, such tender shall be irrevocable;
- 5.2.2 such Qualifying Shareholder has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which the Tender Offer is accepted (together with all rights attaching thereto) and, when the same are purchased by N+1 Singer, N+1 Singer will acquire such Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, on or after the Tender Offer Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date;

- 5.2.3 the input of the TTE instruction, which has effect as a tender under the Tender Offer, will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of the Receiving Agent as such Qualifying Shareholder's escrow agent and an irrevocable instruction and authority to the escrow agent: (i) subject to the Tender Offer becoming unconditional, to transfer to itself and then to transfer to N+1 Singer by means of CREST (or to such person or persons as N+1 Singer may direct) all of the Relevant Ordinary Shares (as defined below); and (ii) if the Tender Offer does not become unconditional and lapses or is terminated, or there are Ordinary Shares which have not been successfully tendered under the Tender Offer, as promptly as practicable after the lapsing or termination of the Tender Offer, or the unsuccessful tender, to transfer the Relevant Ordinary Shares back to the original available balances from which those Ordinary Shares came. For the purposes of this paragraph "Relevant Ordinary Shares" means Ordinary Shares in uncertificated form and in respect of which a transfer or transfers to escrow has or have been effected pursuant to the procedures described in this Part 2;
- 5.2.4 such Qualifying Shareholder shall not take any action which would prevent the Company or the Registrar from cancelling the Ordinary Shares tendered under the Tender Offer;
- 5.2.5 such Qualifying Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by N+1 Singer and/or the Receiving Agent or any of their respective directors or officers or any person nominated by N+1 Singer or the Receiving Agent or any of their respective directors or officers or the Company or any of its directors in the proper exercise of their respective powers and/or authorities hereunder;
- 5.2.6 if, for any reason, any Ordinary Shares in respect of which a TTE instruction has been made are, prior to 1.00 p.m. on the Tender Offer Closing Date, converted into certificated form, the Electronic Tender in respect of such Ordinary Shares shall cease to be valid and the Qualifying Shareholder will need to comply with the procedures for tendering Ordinary Shares in certificated form as set out in this Part 2 in respect of the Ordinary Shares so converted, if he wishes to make a valid tender of such Ordinary Shares pursuant to the Tender Offer;
- 5.2.7 such Qualifying Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by N+1 Singer to be desirable, in each case to complete the purchase of the Ordinary Shares and/or to perfect any of the authorities expressed to be given hereunder;
- 5.2.8 such Qualifying Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents and complied with all applicable formalities so that the invitation under the Tender Offer may be made to him under the laws of the relevant jurisdiction, and has not taken or omitted to take any action which would otherwise result in N+1 Singer or the Company acting in breach of any applicable legal or regulatory requirement in respect of the purchase of the Ordinary Shares tendered by him under the Tender Offer;
- 5.2.9 such Qualifying Shareholder has not received or sent copies or originals of this document, the Tender Form or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of a Restricted Jurisdiction at the time of the input of the relevant TTE instruction; that the TTE instruction has not been sent from a Restricted Jurisdiction and such Qualifying Shareholder is accepting the Tender Offer from outside a Restricted Jurisdiction;
- 5.2.10 the creation of a payment obligation in favour of such Qualifying Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 6 of this Part 2 headed "Settlement" will, to the extent of the obligations so created, discharge fully any obligation of N+1 Singer to pay to such Qualifying Shareholder the consideration to which the Qualifying Shareholder is entitled under the Tender Offer;

- 5.2.11 the input of the TTE instruction constitutes such Qualifying Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer; and
- 5.2.12 if the appointment of agent provision under sub-paragraph 5.2.3 above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of N+1 Singer the benefit or authority expressed to be given therein, the Qualifying Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable N+1 Singer to secure the full benefits of sub-paragraph 5.2.3 above.

## **6. SETTLEMENT**

Unless the Tender Conditions are not satisfied or the Tender Offer lapses, is withdrawn or is extended, the outcome of the Tender Offer will be announced by no later than 1.00 p.m. on 26 February 2021. The payment of any consideration for Ordinary Shares pursuant to the Tender Offer will be made only after the relevant TTE instruction has settled or (in the case of Ordinary Shares in certificated form which are tendered) timely receipt by the Receiving Agent of share certificate(s) and/or other document(s) of title, a properly completed and duly executed Tender Form and any other documents required by the Tender Form.

Settlement of the consideration to which any Qualifying Shareholder is entitled pursuant to tenders accepted by N+1 Singer as complete in all respects will be made by the dispatch of cheques or CREST messages as follows:

### **6.1 Ordinary Shares in certificated form**

Where an accepted tender relates to Ordinary Shares held in certificated form, cheques for the consideration due will be despatched by the Receiving Agent (on behalf of N+1 Singer) by first class post to the persons or agent whose name and address (outside a Restricted Jurisdiction) is set out in Box 1 or Box 5 of the Tender Form or, if none is set out, to the registered address of the tendering Qualifying Shareholder or, in the case of joint holders, the registered address of the first named Qualifying Shareholder. All payments will be made in pounds sterling by cheque, drawn on a branch of a UK clearing bank.

### **6.2 Ordinary Shares in uncertificated form (that is, in CREST)**

Where a purchase relates to Ordinary Shares held by Qualifying Shareholders in uncertificated form, the consideration due will be paid through CREST, by the Receiving Agent (on behalf of N+1 Singer) procuring the creation of a payment obligation in favour of the payment banks of accepting Qualifying Shareholders in accordance with the CREST payment arrangement.

## **7. ONGOING AUTHORITY TO BUY BACK SHARES**

If the Tender Offer is not accepted in full, the Board, having given Qualifying Shareholders the opportunity to participate in the Tender Offer, reserves the right in its absolute discretion to purchase in the market, up to such number of Ordinary Shares as is equal to the difference between the number of Ordinary Shares successfully tendered in the Tender Offer and 6,896,551 Ordinary Shares (being the maximum number of Ordinary Shares to be purchased under the Tender Offer). The basis on which any on-market purchases will be made will, save for the potential quantum of shares to be bought, be identical to that for the authority to make such purchases pursuant to the Company's proposed resolution 4 being put to the Annual General Meeting of the Company which is being held immediately prior to the General Meeting.

## PART 3

### DIRECTORS' AND OTHERS' INTERESTS

1. As at 29 January 2021 (being the latest practicable date prior to the publication of this Circular), the interests of each Director (and their immediate families), all of which are beneficial, in the share capital of the Company were as follows:

Directors	Number of Ordinary Shares	Percentage of the Existing Share Capital
<i>Tudor Davies (Non-executive Chairman)</i>	90,909	0.6%
<i>David Buffham (Non-executive Director)</i>	18,500	0.1%
<i>Mark Cambridge (Chief Executive Officer)</i>	92,458	0.6%
<i>Claire Smith (Group Finance Director)</i>	42,381	0.3%

There are no share options in place for any of the Directors.

2. Save as disclosed in paragraph 1 of this Part 3, none of the Directors, nor any person connected with a Director (within the meaning of section 252 of the Companies Act), has any interest (beneficial or non-beneficial) in the share capital of the Company or any of its subsidiaries.
3. As at 29 January 2021 (being the latest practicable date prior to the publication of this Circular), insofar as the Company are aware, the following had interests either directly or indirectly, in 3 per cent. or more of the Company's issued share capital or voting rights:

Name of Shareholder	Number of Ordinary Shares	Percentage of Existing Share Capital
Hargreaves Lansdown (clients of)	1,893,980	11.80%
Close Asset Management	1,227,109	7.65%
AXA Investment Managers	1,215,000	7.57%
Interactive Investor (clients of)	1,270,005	7.92%
Canaccord Genuity Wealth Management	681,043	4.24%
Barclays Wealth (clients of)	682,958	4.26%
Mr & Mrs John Kennair	534,560	3.33%

## PART 4

### TAXATION

#### 1. Introduction

In view of the number of different jurisdictions where tax laws may apply to a Shareholder, this Circular does not discuss any tax consequences to Shareholders who sell Ordinary Shares in the Tender Offer other than the consequences with regards to United Kingdom taxation set out in this part 4.

Shareholders and prospective shareholders who are in any doubt about their tax position, or who are tax resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional advisers immediately.

Shareholders are liable for their own taxes and have no recourse to the Company or N+1 Singer or the Receiving Agent with respect to taxes arising in connection with the Tender Offer.

The following comments do not constitute tax advice and are intended only as a general guide to current United Kingdom law and HMRC published practice (which may not be binding on HMRC) as at the date of this Circular, which are both subject to change at any time, possibly with retrospective effect. They relate only to certain limited aspects of the United Kingdom taxation treatment of Shareholders who are resident and, in the case of an individual, domiciled in the United Kingdom for United Kingdom tax purposes and to whom "split year" treatment does not apply, who are, and will be, the absolute beneficial owners of their Ordinary Shares and who hold, and will hold, their Ordinary Shares as an investment. In particular, Shareholders holding their Ordinary Shares via any depositary receipt system or clearance service should note that they may not always be the absolute beneficial owners thereof. They may not relate to certain Shareholders, such as dealers in securities or Shareholders who have (or are deemed to have) acquired their Ordinary Shares by virtue of an office or employment and Shareholders connected with the Company.

Companies within the charge to corporation tax in the United Kingdom are assumed not to fall within Chapter 6A, Part 6 of the Corporation Tax Act 2009 in respect of ordinary shares.

In addition, Shareholders who have claimed reliefs under the Enterprise Investment Scheme or the Corporate Venturing Scheme, or who are Venture Capital Trusts, are strongly recommended to consult their own professional advisers immediately for advice on the tax implications of the Tender Offer.

In summary, Shareholders are advised to take independent advice in relation to the tax implications for them of selling Ordinary Shares pursuant to the Tender Offer.

#### 2. The Tender Offer

Since N+1 Singer will be acting as principal, an individual Qualifying Shareholder who tenders Ordinary Shares to N+1 Singer pursuant to the Tender Offer should be treated, for the purposes of United Kingdom taxation of chargeable gains ("**CGT**"), as though he had sold them in the ordinary way to a third party.

Therefore, if the Ordinary Shares are held as a capital asset by the Qualifying Shareholder, the Qualifying Shareholder should be treated as making a disposal or part disposal of such Qualifying Shareholder's holding of Ordinary Shares for the purposes of United Kingdom tax on chargeable gains. Accordingly, a Qualifying Shareholder who is resident in the United Kingdom (or, in the case of an individual, who ceases to be resident in the United Kingdom for a period of five years or less) may, depending on the Qualifying Shareholder's circumstances (including any available exemption or relief), realise a chargeable gain (or an allowable loss) on such disposal.

A United Kingdom resident individual Qualifying Shareholder whose total taxable income and chargeable gains for the year in question (together with any chargeable gain on the Ordinary Shares) is less than or equal to the basic rate income tax band (£50,000 for the tax year 2020/2021) will, subject to any available exemption or relief, be subject to capital gains tax on any chargeable gain at the rate of 10 per cent. Other

United Kingdom resident individual Qualifying Shareholders will, subject to any available exemption or relief, be subject to capital gains tax on all or part of any chargeable gain arising in excess of the basic rate tax band at the rate of 20 per cent. However, no capital gains tax will be payable on any gain arising on a disposal of Ordinary Shares under the Tender Offer if the amount of the chargeable gain, when aggregated with other chargeable gains less allowable losses realised by the United Kingdom resident individual Qualifying Shareholder in the tax year in question does not exceed the annual exempt amount (£12,300 for the tax year 2020/2021). Please note that allowances and tax bands may depend on whether the United Kingdom resident individual is resident in England, Wales, Scotland or Northern Ireland.

Shareholders within the charge to corporation tax will generally be subject to corporation tax on any chargeable gain arising. Indexation allowance may be available to reduce any chargeable gain arising but cannot act to create or increase an allowable loss.

### **3. Transactions in Securities**

Under the provisions of Chapter 1 of Part 13 of the Income Tax Act 2007 and Part 15 of the Corporation Tax Act 2010, HMRC can in certain circumstances counteract tax advantages arising in relation to a transaction or transactions in securities (which then would include the Tender Offer).

No application has been made to HMRC for clearance in respect of the application of Chapter 1 of Part 13 of the Income Tax Act 2007 or Part 15 of the Corporation Tax Act 2010 to the Tender Offer. Shareholders are advised to take independent advice as to the potential application of the above provisions in light of their own particular motives and circumstances.

### **4. Stamp Duty and Stamp Duty Reserve Tax**

The sale of Ordinary Shares to N+1 Singer pursuant to the Tender Offer will not give rise to any liability to stamp duty or stamp duty reserve tax for the selling Qualifying Shareholder.

## PART 5

### QUESTIONS AND ANSWERS ON THE TENDER OFFER

#### 1 Introduction

This Part 5 explains the Tender Offer primarily with respect to Ordinary Shares. To help you understand what is involved in the Tender Offer with respect to Ordinary Shares, this Part 5 includes a summary and some questions and answers. You should read the whole of this Circular and not rely solely on the summary information in this Part 5. Part 2 of this Circular sets out the detailed terms and the conditions of the Tender Offer with respect to Ordinary Shares. A list of defined terms is set out at the end of this Circular.

In the event of any inconsistency between the contents of this Part 5 and the terms and the conditions set out in Part 2 of this Circular, the terms and the conditions set out in Part 2 of this Circular shall prevail.

#### 2 You and the Tender Offer

##### **Why am I receiving this Circular?**

The Board has arranged for the Qualifying Shareholders to be provided with the opportunity to sell some of their Ordinary Shares under the Tender Offer.

##### **What other documents should I have received?**

Qualifying Shareholders who hold their Ordinary Shares in certificated form should receive:

- this Circular;
- the Form of Proxy;
- a Tender Form; and
- a prepaid envelope to return the Tender Form (for use in the UK).

Qualifying Shareholders who hold their Ordinary Shares in uncertificated form (i.e. in CREST) should only receive this Circular and the Form of Proxy.

If you have not received any of the documents listed please call the Shareholder Helpline on 0370 707 1428 (from inside the UK) and +44 370 707 1428 (from outside the UK). The Shareholder Helpline is available from 9.00 a.m. to 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales). Please note that Computershare Investor Services PLC cannot provide any financial, legal or tax advice and calls to these numbers may be monitored or recorded for security and training purposes.

##### **Why is the Company returning money to its Shareholders?**

Please refer to the letter from the Chairman in Part 1 of this Circular for the reasons why the Company is returning money to its Shareholders.

##### **Why has the Company chosen a Tender Offer (and associated buy-back) as a way of returning money to Shareholders?**

The Board considered the various options for returning cash to Shareholders and determined that the Tender Offer would be the most appropriate means. In particular, the Tender Offer:

- i. ensures equal opportunity to all Qualifying Shareholders to participate in the return of capital by offering a guaranteed Basic Entitlement;
- ii. enables those Shareholders who do not wish to receive capital at this time to maintain their full investment in the Company;

- iii. provides those Qualifying Shareholders who wish to sell Ordinary Shares with the opportunity to do so, without dealing costs; and
- iv. is available to all Qualifying Shareholders regardless of the size of their shareholdings.

**Who is eligible to participate in the Tender Offer with respect to Ordinary Shares?**

Both private and institutional Qualifying Shareholders are eligible to participate in the Tender Offer with respect to Ordinary Shares.

Shareholders resident outside the UK, or who are nationals or citizens of jurisdictions other than the UK, should read the additional information set out in paragraph 3 of Part 2 of this Circular.

**Will all the Ordinary Shares I tender be purchased?**

If the Resolution is passed and all of the other Tender Conditions are satisfied, then all Ordinary Shares validly tendered up to your Basic Entitlement will be accepted and purchased at the Tender Offer Price. Ordinary Shares in excess of your Basic Entitlement may be purchased as set out in paragraph 2.4 of Part 2.

**Is it possible that some or all of the Ordinary Shares I tender may not be purchased?**

If the Resolution is not passed or any of the Tender Conditions are not satisfied or waived (as applicable), no Ordinary Shares will be purchased by the Company under this Tender Offer.

**What is my Basic Entitlement?**

Your Basic Entitlement is the number of Ordinary Shares (rounded down to the nearest whole share) representing approximately 43 per cent. of the aggregate number of Ordinary Shares held by you as at 6:00p.m. on 23 February 2021.

**What is the maximum number of Ordinary Shares I can tender?**

If you are a Qualifying Shareholder you can tender all of your holding of Ordinary Shares which are held by you as at the Tender Offer Record Date. There is no guarantee however, that you will be able to sell all of your holding of Ordinary Shares in the Tender Offer as Ordinary Shares in excess of your Basic Entitlement may be purchased as set out in paragraph 2.4 of Part 2.

**Can I tender some, but not all, of my Ordinary Shares?**

Yes, whether you hold your Ordinary Shares in CREST or in certificated form. If you hold your Ordinary Shares in certificated form, there is a space on the Tender Form for you to state how many Ordinary Shares you wish to tender.

**Can I tender some of my shares at one price and some at another?**

No. The Tender Offer is being made at the Tender Offer Price.

**Do I have to tender my Ordinary Shares?**

No. You are not obliged to tender any of your Ordinary Shares. If you choose not to tender any Ordinary Shares, you will not receive any money under the Tender Offer. Your holding of Ordinary Shares will then be unaffected, save for the fact that, assuming successful completion of the Tender Offer, you will end up owning a greater percentage of the Resulting Share Capital, than you did before, as there will be fewer Ordinary Shares in issue. The same may apply if you tender Ordinary Shares unsuccessfully.

You may vote in the General Meeting to pass the Resolution, even if you do not wish to tender any Ordinary Shares.

### **What will I receive?**

What you receive will depend on the action that you take. If you decide to participate and your Ordinary Shares are successfully tendered in the Tender Offer, you will sell your Ordinary Shares and will receive cash proceeds for them. If you decide to keep your Ordinary Shares, you will not receive any money under the Tender Offer, but assuming successful completion of the Tender Offer and the associated buy-back of Ordinary Shares by the Company, you will end up owning a greater percentage of the issued Ordinary Share capital of the Company after the Tender Offer than you did before, as explained above.

### **What do I need to do now?**

If you wish to participate then please complete the Form of Proxy and return it to Computershare Investor Services PLC, Bridgwater Road, Bristol, BS99 6ZY as soon as possible and, in any event, so as to be received by no later than 9:30am a.m. on 23 February 2021. You are reminded that, given the current government restrictions with regard to the COVID-19 pandemic, the only Shareholders who will be permitted entry to the General Meeting will be those Directors as Shareholders necessary to form a quorum to allow the General Meeting to be held. The Company strongly encourages all Shareholders to submit their Form of Proxy, appointing the Chairman of the General Meeting as proxy.

If you hold your Ordinary Shares in certificated form and you wish to tender some or all of your Ordinary Shares, you should complete the Tender Form in accordance with the instructions printed on it and in Part 2 of this Circular and return it by post in the accompanying reply-paid envelope (for use in the UK only) to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH, together with your share certificate(s) in respect of the Ordinary Shares tendered.

If you hold your Ordinary Shares in uncertificated form and you wish to tender some or all of your Ordinary Shares, you should send a TTE instruction and follow the procedures set out in Part 2 of this Circular in respect of tendering uncertificated Ordinary Shares.

Completed Tender Forms and/or TTE instructions (as appropriate) must be received by Computershare Investor Services PLC, by no later than 1.00 p.m. (UK time) on 23 February 2021 after which time Tender Forms and/or TTE instructions (as appropriate) will be rejected (unless the Tender Offer is extended).

### **What is the deadline for returning my Tender Form?**

The Tender Offer with respect to Ordinary Shares will close at 1.00 p.m. (UK time) on 23 February 2021 and no tenders received after that time will be accepted unless otherwise approved by N+1 Singer (with the consent of the Company).

### **What should I do if I have lost my share certificate and wish to participate in the Tender Offer?**

You should complete the Tender Form and send it, together with a letter of explanation to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH in accordance with the instructions in the Tender Form. You should then phone the Shareholder Helpline or write to the Registrar asking for a letter of indemnity to be sent to you, which you should then complete in accordance with the instructions given and send back to the Receiving Agent immediately, to arrive no later than 1.00 p.m. (UK time) on 23 February 2021.

### **If my Ordinary Shares are held by my broker or other nominee, will that person tender my Ordinary Shares on my behalf?**

Only if you provide instructions to your broker or other nominee to do so. You should follow the directions provided by your broker or other nominee regarding how to instruct your broker or other nominee to tender your Ordinary Shares. Without your specific instructions, your Ordinary Shares will not be tendered for purchase under the Tender Offer.

**Can I withdraw my tender?**

Tender Forms once duly completed (for Ordinary Shares held in certificated form) and submitted to the Receiving Agent and TTE instructions which have settled (for Ordinary Shares held in uncertificated form) will become irrevocable and cannot be withdrawn.

**When do I receive my cash?**

Under the expected timetable of events as set out in Part I of this Circular, it is anticipated that, for holders of Ordinary Shares in certificated form, a cheque will be despatched to you for the proceeds of any sale by 3 March 2021. CREST account holders will have their CREST accounts credited by 3 March 2021.

**How will I receive the cash if I successfully tender any Ordinary Shares?**

You will receive the cash in Pounds Sterling.

**Do I have to pay any costs and expenses?**

No. Neither the Company nor N+1 Singer is imposing any fees in connection with the Tender Offer. If you own your Ordinary Shares through a bank, broker, dealer, trust company or other nominee and such nominee tenders your Ordinary Shares on your behalf, such nominee may charge you a fee for doing so. You should consult with your bank, broker, dealer, trust company or other nominee to determine whether any charges will apply.

**What is the tax treatment for Shareholders?**

For information on certain UK taxation consequences of the Tender Offer please see Part 4 of this Circular. This information is for guidance only and does not constitute tax advice. If you are in any doubt as to your tax position, or if you are subject to tax in a jurisdiction other than the UK, you should consult an independent professional adviser.

**What happens if I sell my Ordinary Shares after receiving this Circular?**

If you sell or have sold or otherwise transferred all of your Ordinary Shares, please forward this Circular (but not the accompanying personalised Form of Proxy and Tender Form) at once to the purchaser or transferee or the agent through whom the sale or transfer was effected, for onward delivery to the purchaser or transferee (but not if such purchaser, transferee or agent is resident in a Restricted Jurisdiction). If you have sold part of your holding of Ordinary Shares, please retain these documents and contact the bank, stockbroker or other agent through whom the sale or transfer was effected as to the actions you should take. Do not forward your personalised Form of Proxy or Tender Form.

**What happens if I hold my Ordinary Shares in an ISA?**

You should contact your plan manager. We expect that you will be written to separately by your plan manager about the implications of the Tender Offer on your ISA holding.

**What if I am resident outside the UK?**

Shareholders resident outside the UK, or who are nationals or citizens of jurisdictions other than the UK, should read the additional information set out in paragraph 3 of Part 2 of this Circular.

**Is there a general meeting of Shareholders to approve the buy-back of Ordinary Shares associated with the Tender Offer and do I need to attend?**

The General Meeting of the Company will be held at 9.30 a.m. on 25 February 2021 to consider the Resolution, as explained further in the Notice of General Meeting contained towards the end of the Circular. If you have completed and returned the Form of Proxy enclosed with this Circular to Computershare Investor Services PLC so as to be received by no later than 9.30 a.m. on 23 February 2021, your vote will be counted. Shareholders are reminded that, given the current government restrictions in relation to the

COVID-19 pandemic, the Board has decided to prohibit Shareholders attending the General Meeting in person with the exception of the minimum number of Directors as Shareholders needed to form a quorum. Any Shareholder who attempts to attend the General Meeting in person will be refused entry. As such, voting on the Resolution at the General Meeting shall be decided by way of a poll and not by a show of hands. The Company strongly encourages all Shareholders to submit their Form of Proxy, appointing the Chairman of the General Meeting as proxy.

### **What if I have any more questions?**

If you have read this Circular and still have questions, please contact Computershare on telephone number 0370 707 1428 (from the UK) or +44 370 707 1428 (from outside the UK). The Shareholder Helpline is open from 9.00 a.m. to 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales). Please note that calls to these numbers may be monitored or recorded for security and training purposes.

Please note that for legal reasons the Shareholder Helpline will not provide advice on the merits of the Tender Offer or Resolution or give any legal, financial, investment or taxation advice. For financial, investment or taxation advice, you should consult your own financial, investment or taxation adviser.

## **3 The Tender Offer**

### **Can Shareholders decide not to proceed with the Tender Offer?**

The Tender Offer is conditional upon the passing of the Resolution at the General Meeting. If Shareholders do not vote to pass the Resolution then the Tender Offer will not proceed.

### **Can the Company decide not to proceed with the Tender Offer?**

The Tender Offer is conditional upon the satisfaction of the Tender Conditions set out in paragraph 2.2 of Part 2 of this Circular. Should the Tender Conditions not be satisfied or waived by N+1 Singer or the Company, as the case may be, then the Tender Offer will not proceed.

### **What will happen to the Ordinary Shares that are successfully tendered?**

The Tender Offer is being made by N+1 Singer acting as principal. N+1 Singer and the Company have entered into the Share Purchase Agreement pursuant to the terms of which the Company has agreed to purchase as an on-market purchase all of the Ordinary Shares purchased by N+1 Singer pursuant to the Tender Offer.

It is the Company's intention to cancel the Ordinary Shares that are successfully tendered to N+1 Singer and subsequently purchased by the Company pursuant to the Share Purchase Agreement.

## NOTICE OF GENERAL MEETING

### ZYTRONIC PLC

(incorporated and registered in England and Wales with registered number 03881244)

Notice is hereby given that a General Meeting of Zytronic plc (the "Company") will be held on 25 February 2021 at 9.30 a.m. at the office of Zytronic plc, Whiteley Road, Blaydon-on-Tyne, NE21 5NJ to transact the following business:

#### Special Business

To consider and, if thought fit, pass the following resolution as a special resolution:

THAT the Company be and is generally and unconditionally authorised to make one or more market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of 1 pence each in the capital of the Company pursuant to, for the purposes of, or in connection with a tender offer for ordinary shares ("**Tender Offer**") on the terms and in accordance with the arrangements set out or referred to in the Circular to the Company's shareholders dated 1 February 2021 provided that:

- (a) the maximum aggregate number of ordinary shares that may be purchased is 6,896,551;
- (b) the price which may be paid for an ordinary share shall be 145 pence, exclusive of all expenses, which shall be both the maximum and the minimum price for the purpose of section 701 of the Companies Act 2006;
- (c) the Company be and is generally and unconditionally authorised, following conclusion of the Tender Offer, to make one or more market purchases (within the meaning of section 693(4) of the Companies Act 2006) of such number of ordinary shares of 1 pence each in the capital of the Company as comprise the difference between the number of ordinary shares successfully tendered by the Company's shareholders in the Tender Offer and the maximum number of ordinary shares capable of being tendered pursuant to the Tender Offer at a minimum price per ordinary share of 1 pence and a maximum price per ordinary share which shall be not more than 5% above the average of the middle market quotation for ordinary shares of the Company for the five business days prior to the purchase; and
- (d) the authority conferred by this resolution shall expire at the conclusion of the Company's next Annual General Meeting save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority.

By Order of the Board

Claire Smith  
Company Secretary  
1 February 2021

Registered Office:

Zytronic plc  
Whiteley Road  
Blaydon-on-Tyne  
NE21 5NJ

## **Explanatory Notes to the Notice of General Meeting:**

Under the Articles of Association of the Company, a member of the Company entitled to attend and vote at the General Meeting may appoint one or more proxies to vote instead of him. A proxy need not be a shareholder of the Company. For reasons given in the Chairman's letter that accompanies this Notice of General Meeting, under the current UK government measures in relation to the COVID-19 pandemic, Shareholders and proxies will not be allowed to attend the General Meeting. As such, when completing your form for proxy, please only reference the 'Chairman of the General Meeting' as your proxy. Shareholders are reminded that the General Meeting will be convened with the minimum quorum of Directors as Shareholders present in order to conduct the business of the meeting. This will be facilitated by Zytronic PLC. The notes below should be read in this context.

### **Entitlement to attend and vote**

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), the Company specifies that only shareholders entered on the register of members of the Company at close of business on 23 February 2021 (or in the event that this meeting is adjourned, on the register of members at close of business on the day which is two days preceding the date fixed for the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares of the Company registered in their name at that time. Changes to the register after the relevant time shall be disregarded in determining the rights of any person to attend and vote at the meeting. As stated above and in the Chairman's letter that accompanies this Notice of General Meeting, Shareholders should note that under the current UK government measures in relation to the COVID-19 pandemic, Shareholders and proxies will not however be allowed to attend the General Meeting in person.

### **Appointment of proxies**

2. The notes to the form of proxy explain how to direct your proxy on how to vote on each resolution or how to withhold their vote. To be valid, the form of proxy and any power of attorney or other authority (if any) under which it is executed (or a duly certified copy of such power or authority) must be duly completed, executed and deposited with Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or completed online at [www.computershare.com/eproxy](http://www.computershare.com/eproxy) by following the instructions on screen to submit it, in each case by 9.30 a.m. on 23 February 2021. In the case of a member that is a corporation, the form of proxy must be executed under its common seal or signed on its behalf by an officer, attorney or other person duly authorised.
3. A shareholder is entitled to appoint one or more proxies to exercise all or any of his or her rights to attend and to speak and vote at the meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.

### **Appointment of proxy using the accompanying proxy form**

4. A proxy form is enclosed. To appoint more than one proxy, please photocopy the form. Please state each proxy's name and the number of shares in relation to which each proxy is appointed (which, in aggregate, should not exceed the number of shares held by you) in the boxes indicated on the form. Please also indicate if the proxy form is one of multiple forms being returned. All proxy forms must be signed and should be returned together in the same envelope. In the case of joint shareholders, the signature of any one of them will suffice, but the names of all joint holders should be stated. The Company is reminding you that in this instance you should appoint the Chairman of the General Meeting as the proxy.
5. To be valid, a duly completed proxy form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be sent by post to the offices of the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY (the "Registrars") so as to be received not less than 48 hours before the time fixed for the holding of the meeting or any adjournment of the meeting (as the case may be).

### **Appointment of proxy through CREST**

6. CREST members who wish to appoint a proxy or proxies for the meeting, including any adjournments of the meeting, through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("Euroclear") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent, Computershare Investor Services PLC (CREST participant ID: 3RA50), no later than 48 hours before the time fixed for the holding of the meeting or any adjournment of the meeting (as the case may be). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
8. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member, or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service

providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

9. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

### **Changing proxy instructions**

10. To change your proxy instructions, simply submit a new proxy appointment using one of the methods set out above. Note that the cut-off time for receipt of proxy appointments also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. If the Company receives more than one appointment of a proxy in respect of any one share, the appointment received last revokes each earlier appointment and the Company's decision as to which appointment was received last is final.

### **Termination of proxy appointments**

11. In order to revoke a proxy appointment you must notify the Company of the termination at least three hours before the commencement of the meeting.

### **Joint shareholders**

12. In the case of joint shareholders, the vote of the senior who tenders a vote, whether in person (including by corporate representative) or by proxy, shall be accepted to the exclusion of the votes of the other joint shareholders. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members.

### **Corporate representatives**

13. A corporation which is a shareholder may, by resolution of its directors or other governing body, authorise one or more persons to act as its representative at the meeting. Corporate representatives should bring with them to the meeting: (i) an original or certified copy of the resolution authorising them; or (ii) an original letter on the shareholder's letterhead, signed by an authorised signatory, confirming that they are so authorised.

### **Issued shares and total voting rights**

14. As at the date of this Document, the Company's issued share capital comprised 16,044,041 ordinary shares of 1 pence each fully paid. The Company does not hold any shares in treasury. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at the date of this Document is 16,044,041.

### **Communication**

15. Shareholders who have general queries about the meeting should contact Computershare Investor Services PLC on 0370 707 1428. If you are outside the United Kingdom, please call +44 370 707 1428. Lines are open between 9.00 a.m. and 5.30 p.m., Monday–Friday excluding public holidays in England and Wales.
16. You may not use any electronic address provided in this notice of General Meeting or in any related documents (including the accompanying proxy form) to communicate with the Company for any purposes other than those expressly stated.

## DEFINITIONS

<b>“AIM”</b>	the market of that name operated by the London Stock Exchange
<b>“Basic Entitlement”</b>	for each Qualifying Shareholder, the number of Ordinary Shares (rounded down to the nearest whole share) representing approximately 43 per cent. of the aggregate number of Ordinary Shares held by such Qualifying Shareholder on the Tender Offer Record Date
<b>“Board” or “Directors”</b>	the board of directors of the Company
<b>“Business Day”</b>	any day other than a Saturday, Sunday or public holiday on which banks are open in the City of London for the transaction of general commercial business
<b>“certificated form” or “certificated”</b>	in relation to an Ordinary Share, recorded on the Company’s Register as being held in certificated form (that is not in CREST)
<b>“Circular”</b>	this Circular providing information to Shareholders in relation to the Tender Offer and containing the notice for the General Meeting
<b>“Companies Act”</b>	the Companies Act 2006, as amended
<b>“Company”</b>	Zytronic plc (registered number: 03881244)
<b>“CREST”</b>	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
<b>“CREST Regulations” or “Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time
<b>“CREST Member”</b>	a person who has been admitted by Euroclear as a system member (as defined in the Regulations)
<b>“CREST Participant”</b>	a person who is, in relation to CREST, a system-participant (as defined in the Regulations)
<b>“CREST Sponsor”</b>	a CREST Participant admitted to CREST as a CREST sponsor
<b>“CREST Sponsored Member”</b>	a CREST Member admitted to CREST as a CREST sponsored member
<b>“Electronic Tender”</b>	an electronic tender of Ordinary Shares in accordance with paragraphs 4.5(b) and 5.2 of Part 2 of this Circular
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, the operator of CREST
<b>“Existing Share Capital”</b>	the 16,044,041 Ordinary Shares in issue at the date of this Circular, all of which are admitted to trading on AIM
<b>“Form of Proxy”</b>	the form of proxy for the General Meeting which accompanies this Circular

<b>“General Meeting”</b>	the General Meeting of the Company to be held at its office at Whiteley Road, Blaydon-on-Tyne, NE21 5NJ at 9.30 a.m. on 25 February 2021
<b>“Group”</b>	the Company and all its subsidiary undertakings at the date of this Circular
<b>“HMRC”</b>	Her Majesty’s Revenue and Customs
<b>“ISIN”</b>	international securities identification number
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“MAR”</b>	The Market Abuse Regulation (EU/596/2014)
<b>“N+1 Singer”</b>	Nplus1 Singer Capital Markets Limited, together with its affiliates, acting as executing broker and financial adviser to the Company in respect of the Tender Offer, and as nominated advisor to the Company.
<b>“Ordinary Shares”</b>	the current issued ordinary shares of 1 pence each in the share capital of the Company, all of which are admitted to trading on AIM
<b>“Overseas Shareholder”</b>	a Shareholder who is resident in, or a citizen of, a jurisdiction outside the United Kingdom
<b>“Participant ID”</b>	the identification code or membership number used in CREST to identify a particular CREST Member or other CREST Participant
<b>“Proposals”</b>	the proposals for the Tender Offer and the Purchase, as described in this document
<b>“Purchase”</b>	the purchase by the Company of Ordinary Shares from N+1 Singer by way of an on-market purchase pursuant to the Share Purchase Agreement
<b>“Qualifying Shareholders”</b>	shareholders who are entitled to participate in the Tender Offer who are on the Register on the Tender Offer Record Date and who are not Restricted Shareholders
<b>“Receiving Agent”</b>	Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH
<b>“Register”</b>	the Company’s register of members
<b>“Registrar”</b>	Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZZ
<b>“Regulatory Information Service”</b>	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website
<b>“Resolution”</b>	the special resolution to authorise market purchases by the Company to be proposed at the General Meeting

<b>“Restricted Jurisdiction”</b>	each of the United States, Canada, Australia, New Zealand, South Africa and Japan and any other jurisdiction where the mailing of this document into or inside such jurisdiction would constitute a violation of the laws of such jurisdiction
<b>“Restricted Shareholder”</b>	a Shareholder with a registered address in a Restricted Jurisdiction
<b>“Resulting Share Capital”</b>	the resulting 9,147,490 Ordinary Shares in issue, assuming maximum take-up of the Tender Offer
<b>“Shareholders”</b>	holders of Ordinary Shares
<b>“Share Purchase Agreement”</b>	the agreement dated 1 February 2021 between the Company and N+1 Singer whereby the Company has agreed to purchase as an on-market purchase all of the Ordinary Shares purchased by N+1 Singer pursuant to the Tender Offer pursuant to the terms of the Purchase Agreement
<b>“Takeover Code”</b>	the City Code on Takeovers and Mergers
<b>“tender” and “tendered”</b>	refers to tenders by Shareholders of Ordinary Shares pursuant to the Tender Offer
<b>“Tender Conditions”</b>	shall have the meaning set out in paragraph 2 of Part 2 of this Circular
<b>“Tender Form”</b>	the tender form issued with this Circular to Shareholders for use in respect of Ordinary Shares held in certificated form
<b>“Tender Offer”</b>	the invitation by N+1 Singer to Qualifying Shareholders to tender Ordinary Shares for sale to N+1 Singer on the terms and subject to the conditions set out in this Circular and, in the case of Ordinary Shares held in certificated form only, in the Tender Form
<b>“Tender Offer Closing Date”</b>	1.00 p.m. on 23 February 2021 (or such later time and date as may be subsequently notified by the Company)
<b>“Tender Offer Price”</b>	the price of 145 pence per Ordinary Share, being the price at which N+1 Singer is to purchase Ordinary Shares under the Tender Offer
<b>“Tender Offer Record Date”</b>	6.00 p.m. on 23 February 2021
<b>“TFE instruction”</b>	a transfer from escrow instruction (as defined by the CREST manual issued by Euroclear)
<b>“TTE instruction”</b>	a transfer to escrow instruction (as defined by the CREST manual issued by Euroclear)
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“uncertificated” or “in uncertificated form”</b>	in relation to an Ordinary Share, recorded on the Company’s Register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST